





TRAVELERS CORP. TEL: 1-800-328-2189

## COMMON POLICY DECLARATIONS

ISSUE DATE: 01/18/17

POLICY NUMBER: H-810-4F26840A-TCT-17

## INSURING COMPANY:

THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

## 1. NAMED INSURED AND MAILING ADDRESS:

TOWNSHIP OF NEW HANOVER AND  
COOKSTOWN VOLUNTEERS FIRE CO  
2 HOCKAMICK ROAD  
COOKSTOWN, NJ 08511-0159

2. POLICY PERIOD: From 01/02/17 to 01/02/18 12:01 A.M. Standard Time at  
your mailing address.

## 3. LOCATIONS

| Premises | Bldg. |           |         |
|----------|-------|-----------|---------|
| Loc. No. | No.   | Occupancy | Address |

## 4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:

COMMERCIAL AUTOMOBILE COV PART DECLARATIONS CA TO 01 02 15 TCT

## 5. NUMBERS OF FORMS AND ENDORSEMENTS

FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy  
containing its complete provisions:

| Policy | Policy No. | Insuring Company |
|--------|------------|------------------|
|--------|------------|------------------|

SEE CALCULATION OF PREMIUM  
COMPOSITE RATES ENDORSEMENT

## 7. PREMIUM SUMMARY:

|                      |           |
|----------------------|-----------|
| Provisional Premium  | \$ 22,694 |
| Due at Inception     | \$ 5,828  |
| Due at Each 3 MONTHS | \$ 5,622  |

## NAME AND ADDRESS OF AGENT OR BROKER:

HARDENBERGH INS GRP INC (HF756)  
PO BOX 8000  
MARLTON, NJ 08053

## COUNTERSIGNED BY:

\_\_\_\_\_  
Authorized Representative

DATE: \_\_\_\_\_

IL TO 02 11 89(REV. 09-07)  
OFFICE: SAN ANTONIO-EAST

PAGE 1 OF 1





POLICY NUMBER: H-810-4F26840A-TCT-17

EFFECTIVE DATE: 01-02-17

ISSUE DATE: 01-18-17

## LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

|                |                                          |
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| IL TO 02 11 89 | COMMON POLICY DECLARATIONS               |
| IL T8 01 10 93 | FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS |
| IL TO 01 01 07 | COMMON POLICY CONDITIONS                 |
| IL T3 02 07 86 | CALCULATION OF PREMIUM-COMPOSITE RATE(S) |

## COMMERCIAL AUTOMOBILE

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| CA TO 01 02 15 | BA- COVERAGE PART DECS (ITEMS 1 & 2)     |
| CA TO 03 02 15 | BA COVERAGE PART DECS (ITEMS 4 & 5)      |
| CA TO 30 02 16 | BA/AD/MC COV PART SUPPL SCH - ITEM TWO   |
| CA TO 31 02 15 | TABLE OF CONTENTS-BUSINESS AUTO COV FORM |
| CA 00 01 10 13 | BUSINESS AUTO COVERAGE FORM              |
| CA T4 43 06 09 | AMENDMENT OF BODILY INJURY DEFINITION    |
| CA T4 59 02 15 | AMENDMENT OF EMPLOYEE DEFINITION         |
| CA 01 84 10 13 | NJ CHANGES - PHYSICAL DAMAGE INSPECTION  |
| CA 01 88 10 13 | NEW JERSEY CHANGES                       |
| CA 20 30 10 13 | VOL FIREFIGHTERS/WORKERS INJURIES EXC    |
| CA 21 14 10 16 | NJ UM AND UIM COVERAGE                   |
| CA T9 48 02 15 | NEW JERSEY TORT THRESHOLD OPTIONS        |
| CA T4 46 02 15 | PUBLIC ENTITY AUTO EXTENSION ENDORSEMENT |
| CA 20 18 10 13 | PROFESSIONAL SERVICES NOT COVERED        |

## INTERLINE ENDORSEMENTS

|                |                                          |
|----------------|------------------------------------------|
| IL T4 12 03 15 | AMNDT COMMON POLICY COND-PROHIBITED COVG |
| IL 00 21 09 08 | NUCLEAR ENERGY LIAB EXCL END-BROAD FORM  |
| IL 01 41 09 08 | NEW JERSEY CHANGES-CIVIL UNION           |
| IL 02 08 09 07 | NJ CHANGES-CANCELLATION AND NONRENEWAL   |



# 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 or any Coverage Part 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. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.
5. If this policy or any Coverage Part 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 as 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. The first Named Insured shown in the Declarations:
  - a. Is responsible for the payment of all premiums; and
  - b. Will be the payee for any return premiums we pay.
2. We compute all premiums for this policy in accordance with our rules, rates, rating plans, premiums and minimum premiums. The premium shown in the Declarations was computed based on rates and rules in effect at



the time the policy was issued. On each renewal continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

**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 representative but only while

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

**G. Equipment Breakdown Equivalent to Boiler and Machinery**

On the Common Policy Declarations, the term Equipment Breakdown is understood to mean and include Boiler and Machinery and the term Boiler and Machinery is understood to mean and include Equipment Breakdown.

This policy consists of the Common Policy Declarations and the Coverage Parts and endorsements listed in that declarations form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by a Coverage Part forming part of this policy. That insurance will be provided by the company indicated as insuring company in the Common Policy Declarations by the abbreviation of its name opposite that Coverage Part.

One of the companies listed below (each a stock company) has executed this policy, and this policy is countersigned by the officers listed below:

The Travelers Indemnity Company (IND)

The Phoenix Insurance Company (PHX)

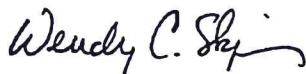
The Charter Oak Fire Insurance Company (COF)

Travelers Property Casualty Company of America (TIL)

The Travelers Indemnity Company of Connecticut (TCT)

The Travelers Indemnity Company of America (TIA)

Travelers Casualty Insurance Company of America (ACJ)

  
Secretary

  
President

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

## **CALCULATION OF PREMIUM - COMPOSITE RATES**

### **A. SCHEDULE**

1. This endorsement modifies insurance provided under the following Coverage Part(s):

COMMERCIAL AUTOMOBILE COVERAGE

2. This endorsement applies to the Declarations from 01-02-17 to 01-02-18 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

3. Definition of Premium Base (Bases):

SEE IL T3 02 SCHEDULE

4. Exceptions (if any) to compositing of premium calculation:

5. Premium Schedule

COVERAGE

SEE IL T3 02 SCHEDULE

PREMIUM  
BASE

ESTIMATED  
EXPOSURE

RATE

ADVANCE  
PREMIUM

\$

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

### **B. PROVISIONS**

1. Referring to the Schedule above, the premium for the Coverage Parts shown in item 1, except with respect to any exceptions shown in item 4, shall be computed in accordance with the premium base (bases) and rate (rates) designated in item 5.
2. The premium for the excepted hazards shall be computed in accordance with the rates and rules filed by us or on our behalf.
3. The advance premium stated above is an estimated premium for the Declarations Period. Upon termination of this period, the earned

premium shall be computed in accordance with the policy and this endorsement. If the earned premium thus computed exceeds the estimated advance premium paid, you shall pay the excess to us; if less, we shall return to you the unearned paid portion. Rates and premiums for any subsequent Declarations Periods shall be determined at the inception date of those respective periods and shall be specified in endorsements to be added to the policy. After termination of each period, the earned premium shall be computed in accordance with the policy and this endorsement.



**SCHEDULE EXTENSION**

This is an extension of IL T3 02 07 86  
**CALCULATION OF PREMIUM – COMPOSITE RATE(S)**

**5. Premium Schedule**

The following applies from 01/02/2017 to 01/02/2018

Coverage: LIABILITY

| Premium basis | Estimated exposure | Rate applies per | Estimated premium | Minimum premium |
|---------------|--------------------|------------------|-------------------|-----------------|
| POWER UNITS   | 11                 | X 1,030          | = \$ 10,991       | OR \$ \$1000    |

FINAL AUTO LIABILITY ADJUSTMENT WILL BE DETERMINED AS FOLLOWS: (POWER UNITS AT THE END OF THE POLICY PERIOD) X (AUTO LIABILITY COMPOSITE RATE) MINUS (POWER UNITS AT THE BEGINNING OF THE POLICY PERIOD) X (AUTO LIABILITY COMPOSITE RATE) X .50

Coverage: COMPREHENSIVE

| Premium basis | Estimated exposure | Rate applies per | Estimated premium | Minimum premium |
|---------------|--------------------|------------------|-------------------|-----------------|
| OCN           | 812,773            | X 0.748          | = \$ 6,082        | OR \$ INCL      |

FINAL COMP COVERAGE PREM ADJUSTMENT WILL BE DETERMINED AS FOLLOWS: (TOTAL ORIGINAL COST NEW PER \$100 AT THE END OF THE POL PERIOD) MINUS (TOTAL ORIGINAL COST NEW PER \$100 AT THE BEGINNING OF THE POLICY PERIOD) X (COMP COMPOSITE RATE) X .50  
 EACH AUTO DEDUCTIBLE : \$500

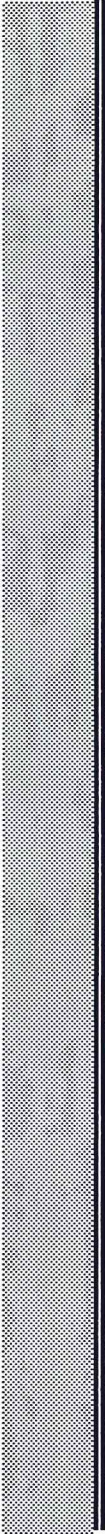
Coverage: COLLISION

| Premium basis | Estimated exposure | Rate applies per | Estimated premium | Minimum premium |
|---------------|--------------------|------------------|-------------------|-----------------|
| OCN           | 812,773            | X 0.667          | = \$ 5,417        | OR \$ INCL      |

FINAL COLL COVERAGE PREM ADJUSTMENT WILL BE DETERMINED AS FOLLOWS: (TOTAL ORIGINAL COST NEW PER \$100 AT THE END OF THE POL PERIOD) MINUS (TOTAL ORIGINAL COST NEW PER \$100 AT THE BEGINNING OF THE POLICY PERIOD) X (COLL COMPOSITE RATE) X .50  
 EACH AUTO DEDUCTIBLE : \$500

# COMMERCIAL AUTOMOBILE





## **COMMERCIAL AUTOMOBILE**

BUSINESS AUTO  
COVERAGE PART DECLARATIONS  
Issue Date: 01-18-17 MS

ITEM ONE: Policy Number: H-810-4F26840A-TCT-17

INSURING COMPANY:  
THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

Declarations Period: From: 01-02-17 to 01-02-18 12:01 A.M. Standard  
Time at your mailing address shown in the Common Policy Declarations.

The Commercial Automobile Coverage Part consists of these  
Declarations and the Business Auto Coverage Form shown below.

FORM OF BUSINESS: PUBLIC ENTITY

ITEM TWO:

A. COVERAGE AND LIMITS OF INSURANCE:

Coverage applies only to those "Autos" shown as Covered "Autos".  
"Autos" are shown as covered "autos" for the applicable coverages by the  
entry of one or more of the symbols from Section 1 - Covered Autos of  
the Business Auto Coverage Form next to the name of the coverage.

| COVERAGE                                            | COVERED<br>AUTO SYMBOL | LIMITS OF<br>INSURANCE                                                                                                        |
|-----------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------|
|                                                     |                        | The most we will pay for<br>any one accident or loss.                                                                         |
| COVERED AUTOS LIABILITY                             | 1                      | \$ 1,000,000                                                                                                                  |
| PERSONAL INJURY<br>PROTECTION<br>(No Fault)         | 5                      | Separately stated in each<br>PIP endorsement minus<br>deductible shown in<br>ITEM THREE-SCHEDULE OF<br>COVERED AUTOS YOU OWN. |
| UNINSURED AND<br>UNDERINSURED<br>MOTORISTS COVERAGE | 2                      | SEE CA TO 30                                                                                                                  |

CA TO 01 02 15  
PRODUCER HARDENBERGH INS GRP INC HF756

PAGE (CONTINUED)  
OFFICE SA-EAST 24T



BUSINESS AUTO  
 COVERAGE PART DECLARATIONS  
 Issue Date: 01-18-17 MS

Policy Number: H-810-4F26840A-TCT-17

| COVERAGE                                  | COVERED<br>AUTO SYMBOL | LIMITS OF<br>INSURANCE                                                                                                                                                                                                                      |
|-------------------------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PHYSICAL DAMAGE<br>Comprehensive Coverage | 2 8                    | Actual Cash Value or Cost<br>of Repair, whichever is<br>less, minus deductible<br>shown in ITEM THREE-<br>SCHEDULE OF COVERED AUTOS<br>YOU OWN for each covered<br>Auto.<br>SEE ITEM FOUR FOR HIRED<br>OR BORROWED "AUTOS".<br>SEE IL T3 02 |
| PHYSICAL DAMAGE<br>Collision Coverage     | 2 . 8                  | Actual Cash Value or Cost<br>of Repair, whichever is<br>less, minus deductible<br>shown in ITEM THREE-SCHEDULE<br>OF COVERED AUTOS YOU OWN for<br>each covered auto.<br>SEE ITEM FOUR FOR HIRED<br>OR BORROWED "AUTOS".<br>SEE IL T3 02     |

B. AUDIT PERIOD: COMPOSITE AUTO

C. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS:  
 Symbols 1-9, 19: SEE BUSINESS AUTO COVERAGE FORM Section 1  
 Covered Autos

D. LOSS PAYEE: Any loss under Physical Damage Coverages is payable as  
 interest may appear to you and the Loss Payee named in the Declarations  
 (see Loss Payable Clause on reverse side)

E. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE  
 PART: SEE IL T8 01 10 93

BUSINESS AUTO  
COVERAGE PART DECLARATIONS  
Issue Date: 01-18-17 MS

Policy Number: H-810-4F26840A-TCT-17

## LOSS PAYABLE CLAUSE

- A. We will pay you and the loss payee named in the policy for "loss" to a covered "auto", as interest may appear.
- B. The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
- C. We may cancel the policy as allowed by the CANCELLATION Common Policy Condition. Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy we will mail you and the loss payee the same advance notice.
- D. If we make any payment to the loss payee, we will obtain their rights against any other party.

## SCHEDULE OF LOSS PAYEES

VEHICLE NUMBER

LOSS PAYEE (Name and Address)

CA TO 01 02 15  
PRODUCER HARDENBERGH INS GRP INC HF756

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OFFICE SA-EAST 24T

**BUSINESS AUTO  
COVERAGE PART DECLARATIONS****POLICY NUMBER: H-810-4F26840A-TCT-17  
ISSUE DATE: 01-18-17****ITEM FOUR****SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS.****COVERED AUTOS LIABILITY COVERAGE – COST OF HIRE RATING BASIS FOR AUTOS USED IN YOUR  
MOTOR CARRIER OPERATIONS (OTHER THAN MOBILE OR FARM EQUIPMENT)**

| COVERED AUTOS LIABILITY<br>COVERAGE | ESTIMATED ANNUAL COST OF<br>HIRE FOR ALL STATES | PREMIUM |
|-------------------------------------|-------------------------------------------------|---------|
| PRIMARY<br>COVERAGE                 | \$                                              | \$      |
| EXCESS<br>COVERAGE                  | \$                                              | \$      |
| TOTAL HIRED AUTO PREMIUM            |                                                 | \$      |

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers) and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by the lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (e.g., repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

**COVERED AUTOS LIABILITY COVERAGE – COST OF HIRE RATING BASIS FOR AUTOS NOT USED IN  
YOUR MOTOR CARRIER OPERATIONS (OTHER THAN MOBILE OR FARM EQUIPMENT)**

| COVERED AUTOS<br>LIABILITY COVERAGE | STATE | ESTIMATED ANNUAL COST OF HIRE<br>FOR EACH STATE | PREMIUM |
|-------------------------------------|-------|-------------------------------------------------|---------|
| PRIMARY COVERAGE                    |       | \$                                              | \$      |
| EXCESS COVERAGE                     |       | \$                                              | \$ INCL |
| TOTAL HIRED AUTO PREMIUM            |       |                                                 | \$ INCL |

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.



**PHYSICAL DAMAGE COVERAGES – COST OF HIRE RATING BASIS FOR ALL AUTOS (OTHER THAN MOBILE OR FARM EQUIPMENT)**

| COVERAGE                        | STATE | LIMIT OF INSURANCE                                                                                                                           | ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE<br>(Excluding Autos Hired With a Driver) | PREMIUM        |
|---------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------|
| COMPREHENSIVE                   |       | ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 500 DEDUCTIBLE. FOR EACH COVERED AUTO.                                      | IF ANY                                                                                | \$ INCL        |
| SPECIFIED CAUSES OF LOSS        |       | ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ DEDUCTIBLE. FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM. |                                                                                       | \$             |
| COLLISION                       |       | ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 500 DEDUCTIBLE. FOR EACH COVERED AUTO.                                      | IF ANY                                                                                | \$ INCL        |
| <b>TOTAL HIRED AUTO PREMIUM</b> |       |                                                                                                                                              |                                                                                       | <b>\$ INCL</b> |

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented, or borrowed with a driver.

**ITEM FIVE**

**SCHEDULE FOR NON-OWNERSHIP COVERED AUTOS LIABILITY**

| NAMED INSURED'S BUSINESS                                                    | RATING BASIS                                                             | NUMBER | PREMIUM        |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------|--------|----------------|
| OTHER THAN GARAGE SERVICE OPERATIONS AND OTHER THAN SOCIAL SERVICE AGENCIES | NUMBER OF EMPLOYEES                                                      |        | \$ INCL        |
|                                                                             | NUMBER OF PARTNERS (ACTIVE AND INACTIVE)                                 |        | \$             |
| GARAGE SERVICE OPERATIONS                                                   | NUMBER OF EMPLOYEES WHOSE PRINCIPAL DUTY INVOLVES THE OPERATION OF AUTOS |        | \$             |
|                                                                             | NUMBER OF PARTNERS (ACTIVE AND INACTIVE)                                 |        | \$             |
| SOCIAL SERVICE AGENCIES                                                     | NUMBER OF EMPLOYEES                                                      |        | \$             |
|                                                                             | NUMBER OF VOLUNTEERS WHO REGULARLY USE AUTOS TO TRANSPORT CLIENTS        |        | \$             |
|                                                                             | NUMBER OF PARTNERS (ACTIVE AND INACTIVE)                                 |        | \$             |
| <b>TOTAL NON-OWNERSHIP COVERED AUTOS LIABILITY PREMIUM</b>                  |                                                                          |        | <b>\$ INCL</b> |





**BUSINESS AUTO/AUTO DEALERS/  
MOTOR CARRIER COVERAGE PART  
SUPPLEMENTARY SCHEDULE**

**POLICY NUMBER: H-810-4F26840A-TCT-17  
ISSUE DATE: 01-18-17**

**ITEM TWO  
COVERAGE AND LIMITS OF INSURANCE  
UNINSURED MOTORISTS COVERAGE AND UNDERINSURED MOTORISTS COVERAGE**

The LIMIT OF INSURANCE for the coverages shown below is the LIMIT OF INSURANCE shown for the State where a covered "auto" is principally garaged. Refer to the specific coverage endorsement for description of the coverage provided for each State listed below.

| Coverage            |                                                             | LIMIT OF INSURANCE                 |             |                                    |                                      |
|---------------------|-------------------------------------------------------------|------------------------------------|-------------|------------------------------------|--------------------------------------|
| UNINSURED MOTORISTS |                                                             |                                    |             |                                    |                                      |
| State               | "Bodily Injury" and<br>"Property Damage"<br>Each "Accident" | "Bodily Injury"<br>Each "Accident" | Each Person | "Bodily Injury"<br>Each "Accident" | "Property Damage"<br>Each "Accident" |
| NJ                  | \$ 35,000                                                   |                                    |             |                                    |                                      |

| UNDERINSURED MOTORISTS                              |                                                             | LIMIT OF INSURANCE                 |             |                                    |                                      |
|-----------------------------------------------------|-------------------------------------------------------------|------------------------------------|-------------|------------------------------------|--------------------------------------|
| (When not included in Uninsured Motorists Coverage) |                                                             |                                    |             |                                    |                                      |
| State                                               | "Bodily Injury" and<br>"Property Damage"<br>Each "Accident" | "Bodily Injury"<br>Each "Accident" | Each Person | "Bodily Injury"<br>Each "Accident" | "Property Damage"<br>Each "Accident" |
|                                                     |                                                             |                                    |             |                                    |                                      |



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BUSINESS AUTO COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

### SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description Of Covered Auto Designation Symbols

| Symbol | Description Of Covered Auto Designation Symbols               |                                                                                                                                                                                                                                                                                                                                                     |
|--------|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Any "Auto"                                                    |                                                                                                                                                                                                                                                                                                                                                     |
| 2      | Owned "Autos" Only                                            | Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.                                                                                                                             |
| 3      | Owned Private Passenger "Autos" Only                          | Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.                                                                                                                                                                                                         |
| 4      | Owned "Autos" Other Than Private Passenger "Autos" Only       | Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.                                                |
| 5      | Owned "Autos" Subject To No-fault                             | Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.                  |
| 6      | Owned "Autos" Subject To A Compulsory Uninsured Motorists Law | Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.       |
| 7      | Specifically Described "Autos"                                | Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).                                                                                                                |
| 8      | Hired "Autos" Only                                            | Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.                                                                            |
| 9      | Non-owned "Autos" Only                                        | Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs. |



|    |                                                                                                              |                                                                                                                                                                                                                                                                                             |
|----|--------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19 | Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only | Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged. |
|----|--------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## B. Owned Autos You Acquire After The Policy Begins

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

## C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

## SECTION II – COVERED AUTOS LIABILITY COVERAGE

### A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

### 1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

(2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.

(3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

(4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".

(5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## 2. Coverage Extensions

### a. Supplementary Payments

We will pay for the "insured":

(1) All expenses we incur.

(2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.

(5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to

pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

### b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

(1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.

(2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

## B. Exclusions

This insurance does not apply to any of the following:

### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

### 2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. 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; or

b. That the "insured" would have in the absence of the contract or agreement.

### 3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits



or unemployment compensation law or any similar law.

**4. Employee Indemnification And Employer's Liability**

"Bodily injury" to:

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

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.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

**5. Fellow Employee**

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

**6. Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

**7. Handling Of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

**8. Movement Of Property By Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

**9. Operations**

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

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, 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 where it is licensed or principally garaged.

**10. Completed Operations**

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

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

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

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your

contract calls for work at more than one site; or

- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

#### 11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

#### 12. War

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

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

#### 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

#### C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.



All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

### SECTION III – PHYSICAL DAMAGE COVERAGE

#### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

#### 4. Coverage Extensions

- a. **Transportation Expenses**

We will pay up to \$20 per day, to a maximum of \$600, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

#### B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or

event that contributes concurrently or in any sequence to the "loss".

**a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

**b. War Or Military Action**

- (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.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunt activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:
  - a. Wear and tear, freezing, mechanical or electrical breakdown.
  - b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:
  - a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
  - b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
  - c. Any electronic equipment, without regard to whether this equipment is permanently

installed, that reproduces, receives or transmits audio, visual or data signals.

- d. Any accessories used with the electronic equipment described in Paragraph c. above.
5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:
  - a. Permanently installed in or upon the covered "auto";
  - b. Removable from a housing unit which is permanently installed in or upon the covered "auto";
  - c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or
  - d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.
6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

**C. Limits Of Insurance**

1. The most we will pay for:
  - a. "Loss" to any one covered "auto" is the lesser of:
    - (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
    - (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
  - b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:
    - (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
    - (2) Removable from a permanently installed housing unit as described in Paragraph b.(1) above; or
    - (3) An integral part of such equipment as described in Paragraphs b.(1) and b.(2) above.



2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

**D. Deductible**

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

**SECTION IV – BUSINESS AUTO CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions:

**A. Loss Conditions**

**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

**2. Duties In The Event Of Accident, Claim, Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
  - (1) How, when and where the "accident" or "loss" occurred;
  - (2) The "insured's" name and address; and
  - (3) To the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

**3. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

**4. Loss Payment – Physical Damage Coverages**

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

**5. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

**B. General Conditions****1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

**2. Concealment, Misrepresentation Or Fraud**

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

**3. Liberalization**

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

**4. No Benefit To Bailee – Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any per-

son or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

**5. Other Insurance**

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

**6. Premium Audit**

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.



- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

**7. Policy Period, Coverage Territory**

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

**8. Two Or More Coverage Forms Or Policies Issued By Us**

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

**SECTION V – DEFINITIONS**

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:

- 1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
- 2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
  - 1. Any 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
  - 2. Any 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".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".



Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H. "Insured contract" means:
  1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. 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 to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. Power cranes, shovels, loaders, diggers or drills; or
  - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. 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":
  - a. Equipment designed primarily for:
    - (1) Snow removal;
    - (2) Road maintenance, but not construction or resurfacing; or
    - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

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

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

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
  1. Damages because of "bodily injury" or "property damage"; or
  2. A "covered pollution cost or expense";
 to which this insurance applies, are alleged.  
 "Suit" includes:
  - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" 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 or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "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.
- P. "Trailer" includes semitrailer.