

called the Company, in consideration of the payment of the premium, in reliance upon the statements in the Declarations made a part of this policy, and subject to all of the terms of this policy, agrees with the person named in Item 1 of the Declarations (the “named insured”) as follows:

INSURING AGREEMENTS

I. Coverages

The Company will indemnify the insured for ultimate net loss which the insured shall become legally obligated to pay as damages because of:

(a) Personal Injury

(b) Bodily Injury and Property Damage

to which this policy applies; caused by an occurrence anywhere in the world, and arising out of the hazards covered by and as defined in the Underlying Personal Umbrella Policies stated in Item 6 of the Declarations, or any renewal or replacement thereof (hereinafter called the “Underlying Personal Umbrella Insurance”).

II. Limits of Liability - Underlying Limits

It is expressly agreed that liability shall attach to the Company only after the insurers of the Underlying Personal Umbrella Insurance have paid or have been held liable to pay (whether collectible or not) the full amount of their respective Ultimate Net Loss liability as follows:

The dollar amount as stated in Item 6 of the Declarations, which is the designated Underlying Ultimate Net Loss with respect to each occurrence, and the Company shall then be liable to pay only the excess thereof up to a further dollar amount as stated in Item 5 of the Declarations, which is the Company’s Ultimate Net Loss with respect to each occurrence.

age immediately preceding the layer of coverage provided by this policy.

- II. “Ultimate Net Loss.” This policy is subject to the same definition of “Ultimate Net Loss” or “Loss” as is contained in the Designated Underlying Personal Umbrella Policy. If not so defined, the term “Ultimate Net Loss” means the sum actually paid or payable in cash in the settlement or satisfaction of losses for which the insured is liable either by adjudication or compromise with the written consent of the Company, after making proper deduction for all recoveries and salvages collectible, but excludes all loss expenses and legal expenses (including attorney’s fees, court cost and interest on any judgement or award) and all salaries of employees and office expense of the insured, the Company or any underlying insurer so incurred.

This policy shall not apply to defense, investigation, settlement or legal expenses covered by underlying policy(ies) of insurance.

EXCLUSIONS

In addition to the exclusions contained in the Underlying Personal Umbrella Insurance, this policy does not apply:

- (a) to property damage to property owned by the insured.
- (b) to property damage to property rented to, occupied or used by, or in the care, custody, or control of the insured.
- (c) to personal injury or property damage arising out of business pursuits of the insured or the ownership, maintenance or use of property at or from which a business or profession is conducted by the insured. As used in this exclusion, “business” includes trade, profession or occupation.

(d) to personal injury or property damage arising out of the ownership, maintenance, operation, use, entrustment, loading or unloading of any Automobile or other motor vehicle in the conduct of any insured's business, trade, profession or occupation, but this exclusion does not apply to a Private Passenger Automobile registered to the named insured and covered by the Underlying Umbrella Insurance. As used in this exclusion, "Private Passenger Automobile" means any motor vehicle other than a motorcycle, a motortruck or truck tractor designed for carrying not more than ten persons including the driver, and used or maintained for the transportation of persons. This term shall also include a motor home and a non-commercial pick-up truck of less than one ton capacity.

(e) to contamination of any environment by pollutants that are introduced at any time, anywhere, in any way; to any personal injury, property damage or other loss or damage arising out of such contamination, including but not limited to, cleaning up, remedying or detoxifying such contamination; or to payment for the investigation or defense of any loss, claim or damage related to the above. As used in this exclusion:

(i) "Contamination" means any unclean, unsafe, damaging, injurious or unhealthful conditions arising out of the presence of any pollutant or combination of pollutants, whether permanent or transient, in any environment;

(ii) "Environment" means any person, any manmade object or feature, animals, crops and vegetation, land, bodies of water, underground water or water table supplies, air or any other feature of the Earth or its atmosphere, whether or not altered, developed or cultivated, including but not limited to, any of the above owned, controlled or occupied by the insured;

(iii) "Pollutant" means smoke, vapor, soot, fumes, acids, sounds, alkalis, chemicals, liquids, solids, gases, thermal pollutants, and all other irritants or contaminants.

(f) to any fines, penalties, punitive or exemplary damages of any kind, assessed or awarded against the insured or for which the insured may be held liable to pay.

(g) to any injury or damage arising out of, contributed to, by or resulting from, directly or indirectly;

(i) a disease which is transmitted by an Insured through sexual contact; or

(ii) the transmission by an insured of the Acquired Immune Deficiency Syndrome (A.I.D.S.) virus by any means.

This insurance does not apply to payment for the investigation or defense of any loss, injury or damage, or any cost, expense, fine or penalty, or any claim or suit related to any of the above exclusions.

CONDITIONS

1. Maintenance of Underlying Insurance

This policy is subject to the same terms, definitions, exclusions and conditions (except as regards the premium, the amount and limits of liability, and except as otherwise provided herein) as are contained in or as may be added to the Designated Underlying Personal Umbrella Policy prior to the happening of an occurrence for which claim is made hereunder.

It is a condition of this policy that the Underlying Personal Umbrella insurance shall be maintained in full effect during the currency hereof. Failure to comply with this condition for any reason, including but not limited to bankruptcy or insolvency of any underlying insurer, shall not invalidate this policy, but in the event of such failure, the Company shall be liable only to the same extent that it would have been liable had there been compliance with the condition.

2. Cancellation

This policy may be cancelled by the named insured by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by the Company or its authorized agent by mailing to the Named Insured at the address shown in this policy written notice stating when, not less than thirty days thereafter, such cancellation shall be effective. The effective date of cancellation stated in the notice shall become the end of the policy period.

Delivery of such written notice, whether by the insured or by the Company, shall be equivalent to mailing. If the Company cancels, earned premium shall be computed pro rata. If the Named Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedures.

Premium adjustment may be made either at the time cancellation is effected or as soon as practicable thereafter, but payment or tender of unearned premium is not a condition of cancellation. The Company's check or the check of its representative mailed or delivered as aforesaid shall be sufficient

tender of any refund of premium due to the Named Insured.

3. Other Insurance

If other valid and collectible insurance with any other insurer is available to the insured covering a loss also covered by this policy, other than insurance that is in excess of the insurance afforded by this policy, the insurance afforded by this policy shall be in excess of and shall not contribute with such other insurance.

4. Notice of Occurrence, Claim or Legal Proceeding

Upon the happening of an occurrence reasonably likely to involve the company hereunder, written no-

tice shall be given as soon as practicable to the home office claim department of the company, Scottsdale, AZ, or any of its authorized representatives. Such notice shall contain particulars sufficient to identify the insured and the fullest information obtainable at the time.

The insured shall give like notice of any claim made or legal proceeding commenced on account of such occurrence. If legal proceedings are begun, the insured, when requested by the Company, shall forward to it each paper thereon, or a copy thereof, received by the insured or the insured's representatives, together with copies of reports or investigations made by the insured or any Underlying Insurer with respect in such claim proceedings.

IN WITNESS WHEREOF, THE COMPANY ISSUING THIS POLICY HAS CAUSED THIS POLICY TO BE SIGNED BY ITS AUTHORIZED OFFICERS, BUT THIS POLICY SHALL NOT BE VALID UNLESS ALSO SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE COMPANY.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SEXUAL ABUSE EXCLUSION

ENDORSEMENT

In consideration of the premium charged, it is agreed that such coverage as is provided by this policy shall not apply to any claim, demand and causes of action arising out of or resulting from either sexual abuse or licentious, immoral, or sexual acts, whether caused by, or at the instigation of, or at the direction of, or omission by, the insured, his employees, patrons, or any causes whatsoever.

All other terms and conditions remain unchanged.

The Cancellation Condition contained in the Conditions section of the policy is deleted in its entirety and is replaced by the following:

Cancellation, Nonrenewal and Increase In Premium

1. This policy may be canceled by the Named Insured by mailing to the Company written notice stating when thereafter the cancellation shall be effective.
2. When this policy has been in effect for less than sixty (60) days, the policy may be canceled by the Company for any reason by mailing to the Named Insured, at the address shown in the policy, written notice stating when, not less than thirty (30) days thereafter, such cancellation shall become effective.
3. When this policy has been in effect for sixty (60) days or more, or this is a renewal or continuation of a policy issued by the Company, the Company may cancel the policy only for one or more of the following reasons:

With respect to Automobile Liability:

- a. Nonpayment of premium;
- b. The driver's license or motor vehicle registration of the Named Insured or of any other operator who either resides in the same household or customarily operates an automobile insured under the policy has been under suspension or revocation during the policy period, or if the policy is a renewal, during its policy period or one hundred eighty (180) days immediately preceding its effective date;
- c. Discovery of fraud by the Named Insured in pursuing a claim under the policy provided the Company does not rescind the policy;
- d. Discovery of material misrepresentation of any of the following information concerning the Named Insured or any resident of the same household who customarily operates an automobile insured under the policy:
 - (1) Safety Record;
 - (2) Annual miles driven in prior years;
 - (3) Number of years driving experience;
 - (4) Record of prior automobile insurance claims, if any;
 - (5) Any other factor found by the Commissioner of Insurance to have a substantial relationship to the risk of loss.

Any insured who negligently misrepresents information described in paragraph 3.d. may avoid cancellation by furnishing corrected information to the Company within twenty (20) days after receiving notice of cancellation and agreeing to pay any difference in premium for the policy period in which the information remained undisclosed;

- e. A substantial increase in the hazard insured against;

and with respect to Liability other than Automobile Liability:

- f. Conviction of a crime having as one of its necessary elements an act increasing the hazard insured against;
 - g. Discovery of fraud or material misrepresentation by:
 - (1) the Named Insured or a representative of the Named Insured in obtaining this policy; or
 - (2) the Named Insured in pursuing a claim under this policy; or
 - h. Discovery of grossly negligent acts or omissions substantially increasing any of the hazards insured against.
4. If the policy is cancelled in accordance with paragraph 3. above, the Company may cancel this policy by delivering or mailing written notice of cancellation to the Named Insured, at the address shown in this policy, at least:
 - a. ten (10) days before the effective date of cancellation if the Company cancels for nonpayment of premium; or

- b. thirty (30) days before the effective date of cancellation if the Company cancels for any of the reasons stated in paragraph 3.b. through 3.h. above.
5. When this policy is written for a period longer than one year, the Company may cancel for any reason at anniversary by letting the Named Insured know at least forty-five (45) days before the date cancellation takes effect.
 6. Proof of mailing of the cancellation notice will be sufficient proof of notice.
 7. If the Company cancels this policy, the return premium shall be computed pro rata and will be refunded within twenty-five (25) days after the effective date of cancellation. If the Named Insured cancels, the return premium shall be computed in accordance with the customary short rate table and procedures, and will be refunded within a reasonable time after the date cancellation takes effect.
 8. We may elect not to renew this policy, subject to 8.a., 8.b. and 8.c. below, by delivering to the Named Insured, at the address shown in the policy, written notice at least forty-five days prior to the expiration date of this policy. Proof of mailing will be sufficient proof of notice.
 - a. With respect to Automobile Liability, the Company may nonrenew this policy only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Fraud or material misrepresentation affecting the policy or insured; or
 - (3) Substantial increase in the hazard insured against.
 - b. With respect to Liability other than Automobile Liability, the Company will not refuse to renew this policy:
 - (1) Solely on the grounds that a claim is pending under the policy; or
 - (2) Solely on the basis of the age of a person insured under this policy.
 - c. With respect to Liability other than Automobile Liability, where this policy is written for a period of less than one year, the Company agrees not to refuse to renew except at the end of an annual period commencing with the original or renewal effective date.
 9. The premium the Named Insured must pay for the policy may be increased for one or more of the following reasons, or for other reasons that are both lawful and not unfairly discriminatory:
 - a. Accident involvement by an insured, and the insured is at fault in the accident.
 - b. A change in, or addition of, an insured vehicle.
 - c. A change in, or addition of, an insured under the policy.
 - d. A change in the location of garaging of an insured vehicle.
 - e. A change in the use of the insured vehicle.
 - f. Convictions for violating any provisions of the Vehicle Code or the Penal Code relating to the operation of a motor vehicle.
 - g. The payment made by an insurer due to a claim filed by an insured or a third party.

AUTHORIZED REPRESENTATIVE

DATE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**MOLD EXCLUSION
(PERSONAL LINES)**

This policy does not provide coverage for any loss, damage, cost, claim, expense, "bodily injury," "property damage," or medical payments arising from or in any way involving, directly or indirectly, mold, fungi, mildew, spores, wet or dry rot, or similar organisms, regardless of cause.

The Company shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNINSURED AND UNDERINSURED MOTORISTS COVERAGE EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PERSONAL UMBRELLA

The following exclusion is added to the EXCLUSIONS section of this policy:

This policy does not apply to any claim for uninsured or underinsured motorists coverage as defined in any state statute, or any subsequent revision, or to any claim for uninsured or underinsured motorists coverage under any similar statute of any other state or any similar coverage unless this policy is endorsed to provide such coverage.