



**DECLARATIONS, TERMS AND PROVISIONS APPLICABLE TO
THE NATIONAL RIFLE ASSOCIATION OF AMERICA
CARRY GUARD™ PERSONAL FIREARMS LIABILITY INCLUDING SELF DEFENSE INSURANCE POLICY**

Policy Number:

Item 1. Named Insured:

Item 2. Named Insured's Address:

Item 3. Coverage and Limits of Liability: As more fully described in each Section of Coverage.

Item 4. Policy Period: From 12:01 a.m. standard time at the address of the insured stated above on Until

Item 5. Total Premium:

Item 6. Company: Illinois Union Insurance Company

Item 7. Notification of Claim or Suits to:
Gibson and Associates Professional Claims Management
3259 E. Sunshine, Ste. H
P.O. Box 4541
Springfield, MO 65808
417.869.0374 (tel) 417.893.6201 (direct) 417.869.4286 (fax)

Item 8. Endorsements Effective at Inception: See Schedule of Forms and Endorsements

APPLICABLE INSURANCE POLICY COVERAGE SECTIONS

Carry Guard Personal Firearms Liability Insurance Including Self-Defense Insurance

LIMITS OF LIABILITY SCHEDULE

<u>COVERAGE</u>	<u>LIABILITY LIMIT</u>
BODILY INJURY & PROPERTY DAMAGE COMBINED SINGLE AGGREGATE LIMIT	\$
DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS – OTHER THAN CIVIL SUITS AGGREGATE LIMIT	\$

The above-referenced limits are available for each 12 month annual period, or the applicable portion thereof, that is within the Policy Period. The limit shown above for Defense, Settlement, Supplementary Payments – Other Than Civil Suits Aggregate Limit is included within and not in addition to the limit shown above for Bodily Injury & Property Damage Combined Single Aggregate Limit.

PROVISION 1

NOTICE OF OCCURRENCE

Whenever it appears that a loss, occurrence, claim or suit is likely to involve this policy, the Individual Insured Member shall send written notice thereof to the entity named in Item 7 of the Declarations, as soon as practicable. Such notice shall contain particulars sufficient to identify the Individual Insured Member and also reasonably obtainable information respecting the time, place and circumstances of the occurrence and, when applicable, the names and addresses of the injured and, if available, witnesses.

If legal proceedings are begun, the Individual Insured Member, when requested by the Company, or their designated representatives, shall forward to the Company or their representatives, each paper thereon, or a copy thereof, received by the Individual Insured Member or their representatives, together with copies of reports of investigation made by the Individual Insured Member with respect to such claim proceedings.

PROVISION 2

ASSISTANCE AND COOPERATION

Except to the extent set forth in accordance with the insuring agreements issued to the Individual Insured Member, Company shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceedings instituted against the Individual Insured Members, but Company shall have the right and shall be given the opportunity to associate with the Individual Insured Member or other Insureds or their other insurers, or both, in the defense and control of any claim suit or proceeding relative to an occurrence where the claim or suite involves or appears reasonably likely to involve the Company in which they, the other insurers, and Company shall cooperate with respect to the defense of such claim, suit or proceeding.

PROVISION 3

APPEALS

In the event the Individual Insured Member or their other insurers elect not to appeal against a judgment in excess of the other valid and collectable insurance limits, Company may elect to make sure appeal at their cost and expense and shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall the liability of Company for ultimate net loss exceed the amount set forth in the insuring agreements issued to the Individual Insured Member for any one occurrence, in addition to cost and expense of such appeal.

PROVISION 4

BANKRUPTCY AND INSOLVENCY

In the event of bankruptcy of the Named Insured, Company shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency.

PROVISION 5

ASSIGNMENT

Assignment of interest under this Policy shall not bind Company until their consent is endorsed thereon.

PROVISION 6

NOTICE

The Named Insured shall be responsible for payment of all premium and shall act with respect to receiving notice of cancellation and the receipt of any returned premium that may be payable under this Policy.

ALL OTHER TERMS, CONDITIONS AND LIMITATIONS SHALL REMAIN UNCHANGED.

CARRY GUARD™ PERSONAL FIREARMS LIABILITY INCLUDING SELF DEFENSE INSURANCE POLICY FORM
NATIONAL RIFLE ASSOCIATION OF AMERICA

The term Company, as used herein, shall refer to the company providing this insurance.

The Company having issued this **Policy** to the Individual Insured Member hereby certifies that the person listed in the Declarations attached and made part hereof (the "individual insured member"), and as named in the application for coverage under the **Policy**, is insured under the **Policy** subject to all the terms, exclusions, conditions and provisions of the **Policy** and any amendments thereto.

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

The following coverage details are those shown in the **Policy** as applicable to the Personal Firearms Liability insurance afforded to the "Individual Insured Member."

I. INSURING AGREEMENTS

A. COVERAGE

The Company will pay on behalf of the "individual insured member" or the "resident family member" all sums within the **LIMIT OF LIABILITY** set forth under **Section II** which the "individual insured member" or the "resident family member" shall become legally obligated to pay as "damages", excess over and above any other valid and collectible insurance, because of

1. "bodily injury" or
2. "property damage"

caused by an "occurrence" and arising out of use by the "individual insured member" or "resident family member" of a "firearm", air gun, bow and arrow or trapping equipment, but only while engaged in

1. Hunting or trapping or recreational shooting on public or private land;
2. Shooting at competitions or for recreation at hunt clubs, gun clubs or supervised commercial or private "ranges";
3. Shooting other than as listed in 1. or 2. where such shooting is an "accidental discharge", and not prohibited or restricted by any local, state, federal, or provincial law; or
4. Caused by the use of a "legally possessed firearm" by the "individual insured member" while engaged in an "act of self-defense."; or
5. Caused by the use of a "legally possessed firearm" by a "resident family member" while engaged in an "act of self-defense" occurring at the "residence premises."

This insurance applies to only to "bodily injury", "property damage" or "acts of self-defense":

1. That occur during the policy period; and
2. Take place in the "policy territory."

B. DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS CIVIL SUITS ONLY

With respect to any "occurrence" or "act of self-defense" covered under this policy, but not covered under any other valid and collectible insurance, The Company shall:

1. Defend any suit against the "individual insured member" or the "resident family member" alleging such "bodily injury" or "property damage" and seeking "damages" on account thereof, even if such suit is groundless, false or fraudulent; but The Company shall have the right to make such investigation and negotiate and settle any claim or suit as may be deemed expedient by The Company, but:

- a. 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; and
 - b. The amount we will pay for damages is limited as described in Section II – LIMITS OF LIABILITY; and
 - c. Our right and duty to defend ends when we have used up the applicable limit of liability in the payment of judgments or settlements under A. Coverage.
2. Pay as expenses all premiums on bonds to release attachments for an amount not in excess of the LIMITS OF LIABILITY of this policy, all premiums on appeal bonds required in any such defended suit, (but without any obligation to apply for or furnish such bonds), all costs taxed against the "individual insured member" or the "resident family member" in any such suit, all other expenses incurred by The Company and all interest accruing after entry of judgment, until The Company has paid, tendered or deposited in court that part of such judgment as does not exceed the LIMITS OF LIABILITY for "damages" as set forth in Section II.
 3. Reimburse the "individual insured member" or the "resident family member" for all reasonable expenses, other than loss of earnings, incurred at The Company' request in assisting The Company in the investigation or defense of any claim or suit.

Company's obligation to pay defense costs for any criminal proceeding against the "individual insured member" or the "resident family member" and any obligation to pay for related costs and expenses incurred in such defense is limited as described in Insuring Agreement I.C below.

This policy shall not apply to defense, investigation, settlement or legal expenses covered by any other valid or collectible insurance.

C. DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS – OTHER THAN CIVIL SUITS

With respect to any "act of self-defense" covered under INSURING AGREEMENT I.A. of this policy for which it is reasonable to expect that the "individual insured member" or the "resident family member" will be criminally charged with a crime involving a "legally possessed firearm," the Company shall pay for the following costs and expenses. The amount we will pay for the following costs and expenses is limited as described in Section II – LIMITS OF LIABILITY.

1. Reasonable expenses incurred by the insured in the investigation of any "act of self-defense" prior to any criminal charge or proceeding being made against the "individual insured member" or the "resident family member, including but not limited to:
 - a. Attorney consultation fee, retainer, and fees for attorney to accompany "individual insured member" or the "resident family member" to all meetings and interviews with authorities;
 - b. Defense costs
 - c. Expert witness or consultant fees
 - d. Actual loss of earnings up to \$250 a day because of time off from work.
2. Defense costs for any criminal proceeding against the "individual insured member" or the "resident family member" alleging such crime and the following associated costs as expenses:
 - a. Bail money;
 - b. Attorney consultation fee and retainer;
 - c. Expert witness or expert consultant fees;
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the criminal charges, including actual loss of earnings up to \$250 a day because of time off from work;
 - e. All premiums on bonds to release attachments. We do not have to furnish these bonds;
 - f. All costs taxed against the "individual insured member" or the "resident family member" in any such proceeding;
3. All reasonable expenses incurred by the insured for:
 - a. Psychological Counseling Support for the "individual insured member" or the "resident family member";
 - b. Clean-up fees to remove stains and biological hazards from the "Individual Insured Member's" home;
 - c. Reimbursement to replace a "legally possessed firearm" which has been confiscated by the authorities. Reimbursement is subject to the provisions described in Section II – LIMITS OF LIABILITY, B.2.

Company's obligation to pay or provide reimbursement for the defense of the "individual insured member" or the "resident family member" for any one and all criminal charges and to pay or provide reimbursement for any covered costs and expenses as Supplementary Payments under this Insuring Agreement shall terminate upon the earliest of any of the following:

1. The "Individual Insured Member" or the "resident family member" pleads guilty; or
2. The "Individual Insured Member's" or the "resident family member's" conviction of any criminal charge emanating from the "Individual Insured Member's" or the "resident family member's" use of a "firearm."

The acts of one "insured" under this policy shall not be imputed to any other "insured" under this policy.

This policy shall not apply to defense, investigation or expenses covered by any other valid or collectible insurance.

II. LIMITS OF LIABILITY

The limits of The Company' liability shall be as stated in the Declarations issued to the "Individual Insured Member," subject to the terms, limitations, exclusions and conditions of this policy.

A. LIMITS OF LIABILITY APPLICABLE TO INSURING AGREEMENT IA - COVERAGE AND TO INSURING AGREEMENT IB - DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS CIVIL SUITS ONLY

1. The **BODILY INJURY & PROPERTY DAMAGE COMBINED SINGLE LIMIT** stated in the Declarations shall be the maximum aggregate limit of the Company's liability for all damages" as the result of one or more "occurrences" or as the result of one or more "acts of self-defense" during any "Annual Period" of the "Individual Insured Member's" coverage as set forth in the Declarations regardless of the number of "insureds", claims made, claimants, "occurrences", or "acts of self-defense".
2. The Company agree to pay the expenses incurred under **INSURING AGREEMENT I.B.** in addition to the **LIMITS OF LIABILITY** stated herein; and such expenses shall not be included as part of "damages" as defined in this policy. However, once the Company has paid or tendered the Bodily Injury & Property Damage Combined Single Limit up to the applicable aggregate limit shown on the Declarations, the Company shall not be liable for any additional expenses under Insuring Agreement I.B. for the applicable "Annual Period".

B. LIMITS OF LIABILITY APPLICABLE TO INSURING AGREEMENT IC - DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS – OTHER THAN CIVIL SUITS

1. The **DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS – OTHER THAN CIVIL SUITS AGGREGATE LIMIT** stated in the Declarations:
 - a. Shall be the aggregate limit of The Company' liability for all costs and expenses under **INSURING AGREEMENT IC** during any "Annual Period" of the "Individual Insured Member's" coverage as set forth in the Declarations regardless of the number of "insureds", claims made, claimants, "occurrences", or "acts of self-defense".
 - b. The Company shall be liable for an amount not to exceed 20% of such limit for all covered costs and expenses under **INSURING AGREEMENT IC** and the remainder of such limit shall be available on a reimbursement basis only as described in paragraph 2. below.
2. Reimbursement for covered costs and expenses under **INSURING AGREEMENT IC** is only available upon:
 - a. a formal dismissal of the criminal charge or indictment; or
 - b. a formal acquittal due to an "act of self-defense" of the criminal charge or indictment; and
 - c. receipt of a signed, sworn proof of loss statement containing the information we need to provide reimbursement including receipts for all covered costs and expenses. This must be provided within 90 days such acquittal or dismissal of criminal charges.

A declaration from the prosecuting attorney(s) that he or she does not intend to prosecute, (often referred to as nolle prosequi), would apply as if all charges were acquitted.
3. These payments are included within the **LIMIT OF LIABILITY** for **INSURING AGREEMENT I.A. - COVERAGE**.

C. The **LIMITS OF LIABILITY** afforded under this policy are, as more fully explained in the **OTHER INSURANCE** provision under **Insuring Agreement VI.B.**, excess of any other valid and collectible insurance available to the "insured." The Company shall be liable only for the "damages" in excess of the amount payable under any other valid and collectible insurance.

D. With respect to an "occurrence" covered under this policy, but not covered under any other valid and collectible insurance, The Company shall be liable as if this policy is primary insurance, subject to the terms, limitations, exclusions and conditions of this policy.

III. POLICY PERIOD

The period set forth in the Declarations issued to the "Individual Insured Member", subject to any applicable cancellation thereof.

IV. EXCLUSIONS

This insurance shall not apply to

- A. "bodily injury" or "property damage" caused in any manner by a person, including members, residents and occupants of the "Individual Insured Member's" household, other than the "individual insured member" or "resident family member"
- B. claims for "bodily injury" or "property damage" made against an "insured" by
 1. any other "insured"; or
 2. any member, resident or occupant of the "Individual Insured Member's" household.

- C. "bodily injury" to an employee of an "insured" arising out of and in the course of his/her employment by the "insured," including any obligation to indemnify another in whole or in part for such "bodily injury".
- D. any obligation for which the "insured" or any company as his insurer may be held liable under any Workers' Compensation, unemployment compensation, or disability benefits law or any similar law.
- E. any claim or liability arising out of the "insured's" employment, occupation, profession, trade or work.
- F. the rendering of or failing to render any professional service.
- G. any and all vicarious liability of an "insured".
- H. liability assumed by the "insured" under any contract or agreement.
- I. "bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, loading or unloading of:
 - 1. any "aircraft"; or
 - 2. any "automobile"; or
 - 3. any "watercraft".
- J. "bodily injury" or "property damage" arising directly or indirectly from a loaded "firearm" being transported in an "automobile", "watercraft" or "aircraft".
- K. "property damage" to:
 - 1. property owned by or occupied by or rented to the "insured"; or
 - 2. property used by the "insured;" or
 - 3. property in the care, custody or control of the "insured" or as to property over which the "insured" is for any purpose exercising physical control.
- L. "bodily injury" or "property damage" caused directly or indirectly by the explosion or rupture of cartridges or shotgun shells which have been manufactured, produced, assembled, loaded or reloaded by the "insured."
- M. "bodily injury" or "property damage" intentionally caused by or at the direction of the "insured" except this exclusion shall not apply to an "act of self-defense"
- N. "bodily injury" or "property damage" arising from loading or unloading a "firearm" except while engaged in hunting, trapping or shooting at competitions or for recreation at hunt clubs, gun clubs or "ranges".
- O. any claim arising out of a criminal act as defined by applicable local, state, federal, or provincial laws by an "insured" except this exclusion shall not apply to an "act of self-defense".
- P. any claim caused by an "insured" while under the influence of alcohol, intoxicants, narcotics or any other mind-altering substance, as defined by applicable local, state, federal, or provincial laws.
- Q. any payment in the nature of fines, judicial sanctions, penalties, punitive and/or exemplary damages or multiples of compensatory damages.
- R. any claim arising from lead, any product containing lead, lead poisoning or any related disease, lead contamination of ground or water, or inhalation or ingestion of lead. This exclusion includes any request, demand or liability to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize lead, whether or not any of the foregoing are or should be performed by the "individual insured member" or by others.
- S. pollution, and
 - 1. any claim relating to the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants" however caused or whenever or wherever happening; or
 - 2. any request, demand or liability to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "pollutants", whether or not any of the

foregoing are or should be performed by the "individual insured member" or by others.

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

- T. any liability of the "insured" directly or indirectly occasioned by, happening through, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
- U. "occurrences" described in the attached Nuclear Incident Exclusion Clause—Liability—Direct (Broad) or in the attached Radioactive Contamination Exclusion Clause Liability—Direct.
- V. any loss, damage, cost, or expense of any nature directly or indirectly cause by, resulting from, or in connection with, the actual or threatened malicious use of pathogenic or poisonous "biological materials" or "chemical materials" regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- W. "bodily injury" or "property damage" arising from a paint gun competition.
- X. any claim caused by an "insured" while trespassing on another's property.

V. DEFINITIONS

- A. "Individual insured member" means the member named in the Declarations issued to the "individual insured member" who shall be at the inception of coverage and any renewals thereof a full member or life member in good standing of the National Rifle Association who is aged 18 years or older and whose name appears on the National Rifle Association of America membership list and whose membership dues have been received by the National Rifle Association of America and the premium due for this coverage shall have been paid at the inception date of this policy or any renewal thereof. Should the "individual insured member's" National Rifle Association membership expire during the Policy Period set forth in the applicable Declarations or in the event of **CANCELLATION** pursuant to **Insuring Agreement VI.F.**, coverage under this policy will continue until the end of the period for which the individual insured member has paid premium and will not be automatically renewed unless NRA membership is re-established prior to the scheduled automatic renewal date. "Individual insured member" shall also include the spouse or registered domestic partner of the "Individual Insured Member."
- B. "Accidental Discharge" means the firing of a firearm, air gun, or bow and arrow, at a time when the "insured" does not intend to fire.
- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person which occurs during the policy period, including death at any time resulting therefrom.
- D. "Biological Materials" means bacteria, viruses, prions, or fungi which may cause infection, allergy, toxicity or other-wise create a hazard to human health. Fungi include mold or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.
- E. "Chemical Materials" means solid, liquid, or gaseous substances that produce an effect on a living organism by acting on the body tissue, or in an environment by interacting with air, water, and/or soil.
- F. "Property damage" means physical injury to or destruction of tangible property during the policy period, including loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it.
- G. "Damages" means the total sum which the "insured" becomes legally obligated to pay as damages, whether by reason of adjudication or settlement, because of "bodily injury" or "property damage" covered by this policy but not covered by any other valid and collectible insurance; and shall not include expenses incurred by The Company in the investigation, negotiation, settlement and defense of any claim or suit seeking such damages.
- H. "Occurrence" means an accident, including continuous or repeated exposure to conditions which results in "bodily injury" and/or "property damage" neither expected nor intended from the standpoint of the "insured." All "bodily injury" and/or "property damage" arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one "occurrence". For purposes of this coverage, an "act of self-defense" is also considered an occurrence
- I. "Firearm" means a weapon, other than a fully automatic weapon, from which a projectile is discharged by gunpowder or by pressure of compressed air.
- J. "Ranges" means permanently established shooting ranges.

- K. "Aircraft" means any heavier than air or lighter than air aircraft designed to transport persons or property.
- L. "Automobile" means any land vehicle, trailer or semi-trailer designed for travel (including any machinery or apparatus attached thereto).
- M. "Watercraft" means any boat, craft, float, raft, ship or vessel designed to transport persons or property on or under water.
- N. "Policy territory" means the United States of America, its territories and possessions, US Virgin Islands, Puerto Rico, and Canada.
- O. "Legally possessed firearm" means a "firearm" possessed by the "insured" in accordance with any applicable local, state, federal, or provincial laws of the state or jurisdiction within which the "bodily injury" or "property damage" occurs.
- P. "Act of self-defense" means the act of defending one's person, or other persons who may be threatened, or one's property when you use or threaten to use a "legally possessed firearm" as may be authorized by any applicable local, state, federal, or provincial laws of the state or jurisdiction within which the "bodily injury" or "property damage" occurs. "Act of self-defense" includes the rendering of emergency assistance solely at the request of a uniformed law enforcement officer.
- Q. "Resident family member" means residents of the "individual insured member's" household who are:
 1. Relatives of the "individual insured member"; or
 2. Other persons under the age of 21 and in the care of the "individual insured member" or the care of a "resident family member."
- R. "Residence premises" means the one family dwelling or unit which is or will be the permanent or principal residence of the "individual insured member" for the majority of the year.
- S. "Annual Period" means a twelve (12) month period that begins with the coverage inception date for an Individual Insured Member and continues for each twelve (12) month period thereafter.
- T. "Insured" means:
 1. the "individual insured member"; or
 2. the "resident family member."

VI. CONDITIONS

A. NOTICE OF OCCURRENCE, "ACT OF SELF DEFENSE" AND/OR CLAIM

Whether it appears that an "occurrence" or "act of self-defense" is likely to involve this policy, the "individual insured member" shall send written notice thereof to the entity named in Item 7 of the Declarations. Such notice shall contain particulars sufficient to identify the "individual insured member" and also reasonably obtainable information respecting the time, place and circumstances of the "occurrence" or "act of self-defense", the names and addresses of the injured and, if available, witnesses.

The "individual insured member" shall give immediate notice of any claim made on account of such "occurrence" or "act of self-defense" to the entity named in Item 7 of the Declarations. If legal proceedings are begun, the "individual insured member" shall forward to the The Company or their representatives each paper thereon, or a copy thereof, received by the "insured" or the "insured's" representatives, together with copies of reports of investigation made by the "insured" with respect to such legal proceedings.

B. OTHER INSURANCE

If other valid and collectible insurance with any other insurer is available to the "insured" covering a loss that is also covered by this policy, the insurance afforded by this policy shall be excess of such insurance. This insurance shall not be primary or contributory to any other insurance unless such condition is specifically endorsed to this policy. Nothing contained herein shall be construed to make this policy subject to the terms, conditions, and limitations of any other insurance.

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

Without limiting the foregoing and in consideration of the premium charged, this policy is also expressly excess of: (1) any directors and officers insurance policy; (2) any homeowners insurance policy and (3) any other insurance coverage applicable to an "act of self-defense".

C. APPEALS

In the event the "insured" or the "insured's" other insurers elect not to appeal a judgment in excess of the other valid and collectible insurance limits, NRA (SECTION 1s) 05 17

The Company may elect to make such appeal at their cost and expense, and shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall the liability of The Company for "damages" exceed the applicable Limits of Liability set forth in the Declarations issued to the respective "individual insured member" for any one "occurrence" and in addition the cost and expense of such appeal.

D. SUBROGATION

Inasmuch as this policy is excess coverage, the "insured's" right of recovery against any person or other entity cannot be exclusively subrogated to The Company. It is, therefore, understood and agreed that in case of any payment hereunder, The Company will act in concert with all other concerned interests (including the "insured"), in the exercise of such rights of recovery. The apportioning of any amounts which may be so recovered shall follow the principle that any interests (including the "insured") that shall have paid an amount over and above any payment hereunder, shall first be reimbursed up to the amount paid by them; The Company are then to be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the "insured") of whom this coverage is in excess are entitled to claim the residue, if any. Expenses necessary to the recovery of any such amounts shall be apportioned between the concerned interests (including the "insured"), in the ratio of their respective recoveries as finally settled.

E. ASSIGNMENT

Assignment of interest under this policy shall not bind The Company until its consent is endorsed thereon.

F. CANCELLATION OF INSURANCE

This policy may be canceled by the "individual insured member" by surrender to The Company or any of its authorized agents, or by mailing to The Company or any of its authorized agents, written notice stating when thereafter such cancellation shall be effective. This policy may be canceled by The Company by mailing to the "individual insured member" at the address shown in the policy, written notice stating when, but not less than ninety (90) days thereafter, but ten (10) days (or such longer period as may be required by state law) for non-payment of premium, such cancellation shall be effective. Proof of mailing of notice as aforesaid shall be sufficient proof of notice. Delivery of such written notice either by the Insured or by The Company shall be equivalent to mailing.

If The Company cancels, earned premiums shall be computed pro rata. Payment or tender of any unearned premium by The Company shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable. The check of The Company or its representatives mailed or delivered shall be sufficient tender of any refund due the "individual insured member".

If the Insured cancels, all collected premium shall be deemed to be fully earned.

Subject to Section V.A. of the Definitions regarding the requirement of NRA Membership, the policy shall automatically renew successively, and so long as such automatic renewal occurs, the policy period shall be continuous from the inception date, unless otherwise noted in Item 4 of the Declarations.

The policy period shall commence upon the date set out in the Declarations. Automatic renewal shall be subject to the following:

1. The Company may amend the policy form and premium on an annual basis upon advance written notice to the insured.
2. The Company may non-renew the policy upon advance written notice to the insured not later than forty-five (45) days or such longer non-renewal period as may be required by state law.
3. The Insured may non-renew the policy either by sending written notice to the Company prior to any payment due date shown on the invoice or by failing to pay any billed renewal premium on or before the payment due date shown on the invoice.

G. TWO OR MORE FORMS OR POLICIES ISSUED BY US

If this Coverage Form and any other policy of insurance issued by us or our affiliates to the Named Insured listed in the Notice of Insurance or Declarations apply to the same "occurrence", then the maximum applicable Aggregate Limit of Insurance applicable to such "occurrence" shall not exceed the highest applicable Aggregate Limit of Insurance available under any one such policy in-force at the time of such "occurrence". Under no circumstances shall this policy pay benefits to a Named Insured in his or her capacity as such if such individual also has sought benefits in their capacity as a Named Insured under another equivalent policy issued by us or our affiliates.

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.

NUCLEAR INCIDENT EXCLUSION CLAUSE– LIABILITY–DIRECT (BROAD)

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

This insurance does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction
 - A. with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability The Company or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - B. resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to "bodily injury", sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if
 - A. the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - B. the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - C. the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.
- IV. As used in this endorsement: "**hazardous properties**" include radioactive, toxic or explosive properties; "**nuclear material**" means source material, special nuclear material or byproduct material; "**source material**", "**special nuclear material**", and "**byproduct material**" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "**spent fuel**" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "**waste**" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "**nuclear facility**" means
 - A. any nuclear reactor,
 - B. any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
 - C. any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
 - D. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

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

SPECIMEN

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE- LIABILITY-DIRECT

For attachment to liability insurances affording worldwide coverage.

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

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