ARCH INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE EXTENSIONS

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. Enhanced Property Damage

Paragraph **a. Expected or Intended Injury** in **2. Exclusions** under **Section I – Coverages, Coverage A Bodily Injury and Property Damage Liability** is deleted and replaced with the following:

a. Expected or Intended Injury

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

2. Damage to Rented Premises

The following paragraph is added to **j. Damage to Property** of **2. Exclusions** under **Section I – Coverages, Coverage A Bodily Injury and Property Damage Liability**:

Paragraphs **(1), (3),** and **(4)** of this exclusion do not apply to "property damage" to premises, including the contents of such premises, rented to you or occupied by you with the permission of the owner for a period of 8 or more consecutive days. The most we will pay for all such "property damage" is $50,000.

3. Damage to Property

The term "damage by fire" is amended to "damage by fire, lightning or explosion" in **j. Damage to Property** of **2. Exclusions** under **Section I – Coverages, Coverage A Bodily Injury and Property Damage Liability**, paragraph **6.** under **Section III – Limits of Insurance** and paragraph **9.a.** under **Section V – Definitions.**

4. Customer's Autos

Paragraphs **g. Aircraft, Auto or Watercraft** and **j. Damage to Property** in **2. Exclusions** under **Section I – Coverages, Coverage A Bodily Injury and Property Damage Liability** do not apply to "customer's autos" while on or next to those premises you own, rent or control that are used for "auto" repair or service. The most we will pay for "property damage" to a "customer's auto" is $50,000.

The following definition is added to **Section V – Definitions**; "Customer's auto" means an "auto" temporarily in your care, custody or control for the purpose of receiving repair or service but does not include an "auto" owned by, rented or loaned to any insured.

This extension only applies if there is no "auto" policy or coverage part provided by us which affords such coverage.

5. Patients Property

Paragraph **j. Damage to Property** in **2. Exclusions** under **Section I – Coverages, Coverage A Bodily Injury and Property Damage Liability** does not apply to the personal effects of fire and rescue victims, medical patients, and the immediate relatives of such victims and patients, while such property is in your care, custody or control at the scene of an emergency or while in transit to or from a medical care facility.. The most we will pay for "property damage" to patients property is $50,000.

This extension only applies if there is no inland marine policy or coverage part provided by us which affords such coverage.

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6. Bail Bonds

Subparagraph **1.b.** under **Section I – Coverages, Supplementary Payments – Coverages A and B** is amended to read as follows:

b. Up to $5,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

7. Your Expenses

Subparagraph **1.d.** under **Section I – Coverages, Supplementary Payments – Coverages A and B** is amended to read as follows:

d. All reasonable expenses incurred by the insured at our request to assist in the investigation or defense of the claim or “suit”, including actual loss of earnings up to $1,000 a day because of time off from work.

8. Additional Insured

The following are added to **Section II – Who Is An Insured**:

a. Persons or Organizations – As Required By Contract

Any person or organization when you have agreed in writing in a contract or agreement that such person or organization is to be included on your policy as an additional insured. Such person or organization is only an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

(1) Your ongoing operations for such person(s) or organization(s);
(2) “Your products”; or
(3) Your use or maintenance of a premises you own, rent, lease, occupy or otherwise use with the permission of the owner, except those premises you lease from person(s) or organization(s) for which paragraph **8.b.** below applies.

b. Managers, Landlords or Lessors of Premises

Any person or organization from whom you lease premises when you have agreed in writing in a contract or agreement that such person or organization is to be included on your policy as an additional insured. Such person or organization is only an insured with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and subject to the following additional exclusions:

This insurance does not apply to:
(1) Any "occurrence" which takes place after you cease to be a tenant in that premises.
(2) Structural alterations, new construction or demolition operations performed by or on behalf of such person(s) or organization(s).

c. Lessors of Leased Equipment

Any person or organization from whom you lease equipment when you have agreed in writing in a contract or agreement that such person or organization is to be included on your policy as an additional insured. Such person or organization is only an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

Coverage provided to the person(s) or organization(s) included as an insured in subparagraphs **8.a.**, **8.b.**, and **8.c.** above only applies if the written contract or agreement identified in subparagraphs **8.a.**, **8.b.**, and **8.c.** above is executed prior to the “bodily injury”, “property damage”, or “personal and advertising injury”.

Coverage shall be primary and not contributory with respect to the person(s) or organization(s) included as an insured in subparagraphs **8.a.**, **8.b.**, and **8.c.** above. Any other insurance such person or organization has will be

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excess and not contributory with this insurance but this provision only applies if it is required in the written contract or agreement identified in subparagraphs **8.a.**, **8.b.**, and **8.c.** above.

9. Newly Formed or Acquired Organizations

Subparagraph **3.a** under **Section II – Who Is An Insured** is deleted and replaced by the following:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

10. Duties in the Event of Occurrence, Offense, Claim, or Suit

The following subparagraph **e.** is added to **2. Duties in the Event of Occurrence, Offense, Claim, or Suit** under **Section IV – Commercial General Liability Conditions**:

e. Knowledge of any "occurrence", offense, claim, or "suit" will be deemed knowledge by you only when such "occurrence", offense, claim, or "suit" is known to an officer, director, commissioner, board member, trustee, "employee", “volunteer worker” or appointee designated by you to give us notice of such "occurrence", offense, claim, or "suit".

11. Waiver of Subrogation

Paragraph **8. Transfer of Rights of Recovery Against Others to Us** under **Section IV – Commercial General Liability Conditions** is deleted and replaced by the following:

8. Transfer of Rights of Recovery Against Others to Us

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

This condition does not apply to persons or organizations with which you have a written contract and for which the provisions of paragraph **8.** of this endorsement apply, but only to the extent that subrogation is waived prior to the “occurrence” or offense under such written contract with that person or organization.

12. Liberalization

If we revise this coverage part 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.

13. Mental Anguish

Paragraph **3.** under **Section V - Definitions** is deleted and replaced by the following:

3. "Bodily injury" means bodily injury, disability, sickness or disease sustained by a person including death resulting from any of these. “Bodily injury” includes “mental anguish” or other mental injury. “Mental anguish” means mental suffering or emotional disturbances such as distress, fear, anxiety, depression, grief or psychosomatic physical symptoms.

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