



# PERSONAL UMBRELLA INSURANCE

## AGREEMENT

We provide Personal Umbrella Insurance and those added coverages described in this policy during the policy period in return for **your** payment of the premium when due. This agreement is subject to all of the **terms** of this policy.

This coverage is applicable only to **occurrences** and/or **offenses** occurring during the policy period. There is no coverage for any injury and/or damage resulting from an **occurrence** and/or **offense** in progress and/or discovered prior to the inception of this policy.

It is important that **you** read each part of this policy carefully to understand the coverage provided; **your** policy obligations and **our** policy obligations. Each coverage is subject to all **terms** relating to that coverage. The Table of Contents that follows shows how each coverage part is organized and it will help **you** locate the various policy sections.

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### A. DEFINITIONS—these definitions apply to this policy.

We define certain words which appear throughout the policy text in **bold/italic** face type. They do not necessarily imply that coverage is provided under **your** policy. The definitions help **you** understand the coverage which is described elsewhere in the policy.

1. The words **you** and **your** refer to the person or entity named in the Declarations, the words **we**, **us** and **our** refer to the insurance company named in the Declarations.
2. **Automobile** means an owned or leased land based motor vehicle including a private passenger **automobile**, motorcycle or similar transportation device and a trailer when towed by an **automobile**.
3. **Bodily Injury** means **bodily injury**, sickness or disease sustained by any person occurring during the policy period, including death resulting from the **bodily injury**, sickness and/or disease.
4. **Business** means a trade, profession, or other occupation, including farming, all whether full or part time.
5. **Insured**:
  - a. means **you** and, if residents of **your** household, **your** relatives, and any other person under the age of 21 in **your** care or in the care of **your** resident relatives;
  - b. includes any person who is an **insured** in any **underlying insurance** policy;
  - c. means any person or organization legally responsible for an animal owned by an **insured** and to which this insurance applies. This does not include anyone using or having custody of the animal in the course of any **business** or without the owner's permission;
  - d. means any person using an **automobile, recreational motor vehicle**, or watercraft which is owned by **you** and covered under this policy. Any person using a temporary substitute for such **automobile** or **recreational motor vehicle** is also an **insured**.

**Insured** includes any other person or organization who is vicariously liable because of negligence on the part of an **insured** arising from the operation of an **automobile, recreational motor vehicle** or watercraft

- covered by this policy. However, the owner or lessor of an *automobile, recreational motor vehicle* or watercraft loaned to or hired by an *insured*, is not an *insured* under this policy; and
- e. means that if *you* die while covered by this policy, *your* protection passes to *your* legal representative or other person having proper, temporary custody of covered property. However, this person, or *your* legal representative, is an *insured* only with respect to insurance on covered property and legal liability arising out of the property. Any person who is an *insured* at the time of *your* death continues to be an *insured* while residing on the *insured* premises.
6. **Occurrence** means an accident, including continuous or repeated exposure to substantially similar conditions.
  7. **Offense** means any of those listed *offenses* shown in the *personal injury* definitions in this personal umbrella insurance form.
  8. **Personal injury** means injury, other than *bodily injury*, arising out of one or more of the following *offenses* committed by *you* during the policy period:
    - a. false arrest, detention, false imprisonment, or malicious prosecution;
    - b. wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupied; or
    - c. a publication or utterance which:
      - 1) libels or slanders a person or organization or disparages a person's or organization's goods, products or services;
      - 2) is in violation of an individual's right of privacy.
  9. **Property Damage** means injury to or destruction of tangible property including the loss of its use.
  10. **Recreational motor vehicles** means snowmobiles, golf carts, all terrain vehicles, dirt bikes and similar licensed or unlicensed off road motor vehicles, whether registered or unregistered, used principally for recreational pursuits.
  11. **Retained Limit** means those limits of *underlying insurance* shown on the declarations, supplemental declarations, forms or endorsements.
  12. **Suit** means a civil proceeding in which damages because of *bodily injury, property damage, and/or personal injury* to which this insurance applies are alleged. **Suit** includes an arbitration proceeding alleging such damages to which *you* must submit or submit with *our* consent. However, **suit** does not mean that *we* shall have the duty to respond to any process designating *you* as a potentially responsible party (PRP) in connection with any *pollution* matter.
  13. **Terms** means provisions, limitations, exclusions, definitions and conditions of *your* policy.
  14. **Underlying insurance** means those policies of insurance listed in the declarations, supplemental declarations, forms or endorsements on the *underlying insurance* schedule.
  15. **Underlying insurer** means any insurer who provides any policy of insurance listed in the declarations, supplemental declarations, forms or endorsements on the *underlying insurance* schedule.

## B. PRINCIPAL LIABILITY COVERAGE

### Personal Liability

*We* will pay on behalf of the *insured* the amount of monetary damages, up to the limit of liability, in excess of the *retained limit* because of *bodily injury, property damage and/or personal injury* caused by an *occurrence* during the policy period and within the coverage territory to which this insurance applies. *We* will have the right and duty to defend the *insured* against any *suit* seeking those damages when the *underlying insurance* does not provide coverage or it has been exhausted. *We* will have the right and duty to defend even if any of the allegations of the *suit* are groundless, false or fraudulent, provided the *suit* originates from *bodily injury, property damage and/or personal injury* not otherwise excluded. When *we* have no duty to defend, *we* reserve the right to defend or to participate in the defense of the *insured* against any other *suit* seeking damages to which this insurance may apply. However, *we* will have no duty to defend the *insured* against any *suit* seeking damages to which this insurance does not apply. If an *underlying insurer* elects not to appeal a judgment in excess of the *underlying insurance* limit, *we* reserve the right to make an appeal and *we* are liable for all expenses that *we* incur without regard to the applicable limits of liability. *We* may make any investigation and settle any claim or *suit* that *we* decide is appropriate. The maximum amount *we* will pay is limited to the amount shown on the Declarations page. *We* are not obligated to provide a defense, after *we* have paid, either by judgment or settlement, an amount equal to *our* limit of liability.

## C. SUPPLEMENTARY PAYMENTS

*We* pay the following expenses incurred in connection with a *suit* defended by *us* under Personal Liability coverage. These supplementary payments are subject to the *terms* of the Principal Coverage and they do not increase the limit of liability stated for the principal coverage except: Claims and Defense Expense Coverage.

1. **Claims and Defense Expense Coverage**-*We* pay these expenses incurred in connection with a *suit* defended by *us* under the *bodily injury, property damage, and/or personal injury* liability coverage:

- a. costs charged to the *insured*;
- b. expenses incurred by *us*;
- c. proven loss of earnings by an *insured*, up to \$250 per day, for time away from work at *our* request;
- d. other necessary expenses incurred at *our* request;
- e. prejudgment interest awarded against the *insured* on that part of the judgment *we* pay. If *we* make an offer to pay the applicable limit of liability, *we* will not pay any prejudgment interest based on that period of time after the offer;
- f. interest accruing after entry of a judgment but ending when *we* tender or pay up to the applicable limit of liability;
- g. premiums on appeal bonds or release of attachment bonds up to *our* limit of liability. *We* do not have any duty to apply for or furnish the bonds; and
- h. premiums up to \$1,000 per bail bond required of any *insured* arising out of a covered *occurrence* or *offense*.

*We* do not have any duty to apply for or furnish the bond.

2. When *we* elect to defend or participate in the defense of a person or entity that *we* are not legally obligated to defend, *we* will pay only those expenses *we* incur but not those expenses incurred by the *insured*, any *underlying insurer*, any other participating insurer or any other litigant.

## D. EXCLUSIONS

The following exclusions apply to this policy.

### EXCLUSIONS THAT APPLY TO PERSONAL LIABILITY:

*We* do not pay for any loss resulting directly or indirectly from one or more of the following excluded events without regard to other causes or events that contribute to or aggravate such loss whether such causes or events occur at the time of the excluded event, before or after it; unless specific coverage is added to *your* policy.

### WE DO NOT PAY FOR:

1. ***Bodily injury*** and/or ***property damage*** caused directly or indirectly by war, including the following and any consequence of any of the following:
  - a. undeclared war, civil war, insurrection, rebellion or revolution;
  - b. warlike act by a military force or military personnel; or
  - c. destruction, seizure or use for a military purpose.
 Discharge of a nuclear weapon will be deemed a warlike act even if accidental;
2. ***bodily injury*** and/or ***property damage*** resulting from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading or unloading of aircraft. This exclusion does not apply to model airplanes;
3. ***bodily injury*** and/or ***property damage*** resulting from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading or unloading of watercraft, except when coverage is provided by ***underlying insurance***;
4. ***bodily injury*** and/or ***property damage*** from the use of ***automobiles***, ***recreational motor vehicles*** and/or watercraft in any racing, speed, pulling or pushing, demolition or stunting activity or contest or in the practice or preparation for such activity or contest;
5. ***bodily injury***, ***property damage*** and/or ***personal injury*** resulting from the rendering of or failing to render professional services;
6. ***bodily injury***, ***property damage*** and/or ***personal injury*** resulting from activities in connection with an ***insured's business***. ***Business*** includes the rental of property. This exclusion does not apply to the incidental rental of ***your*** residence for residential purposes or those exempted ***business*** activities covered by ***underlying insurance***;
7. ***bodily injury***, ***property damage*** and/or ***personal injury*** resulting from the ***business*** use of ***automobiles***, the use of ***automobiles*** as a public or livery vehicle or otherwise for hire and the use of ***automobiles*** by persons engaged in an ***automobile business***;
8. ***property damage*** resulting from premises owned, rented or controlled by an ***insured*** other than the insured premises. *We* do not pay for ***property damage*** to property owned, rented or leased by ***you***, or in ***your*** care, custody and control, with the exception of ***property damage*** caused by fire, smoke or explosion when covered by ***underlying insurance***;
9. ***bodily injury*** or ***property damage*** caused intentionally or maliciously by or at the direction of any ***insured***. This exclusion applies even if the ***bodily injury*** or ***property damage*** was not intended or was different than what was intended. ***Bodily injury*** and ***property damage*** resulting from the use of reasonable force to protect people or property is excepted from this exclusion;
10. ***personal injury***:

- a. arising out of oral or written publication of material, by or at the direction of an *insured* who has knowledge of its falsity;
  - b. arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
  - c. arising out of the violation of a penal statute or ordinance committed by an *insured* or with his/her knowledge; or
  - d. sustained by any person arising out of an *offense* resulting from employment by *you*;
11. ***bodily injury*** if benefits are payable or required to be provided by an *insured* under any workers' compensation, non-occupational disability, occupational disease or similar law. ***We*** do not pay for any real or alleged derivative injury to spouses, children, siblings, or parents, arising out of and in the course of the employment. This exclusion applies whether *you* are liable as an employer or in any other capacity. This exclusion does not apply to ***bodily injury*** occurring on the insured premises sustained by a person engaged in an uncompensated exchange of services;
12. ***bodily injury*** for which an *insured* under this policy is also an *insured* under a nuclear energy liability policy or would be an *insured* but for the exhaustion of its limits of liability;
13. ***bodily injury*** and/or ***property damage*** resulting directly or indirectly from the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, air or water.  
This exclusion does not apply to ***bodily injury*** or ***property damage*** caused by heat, smoke or fumes from a hostile fire. For the purpose of this exclusion, hostile fire means a fire which becomes uncontrollable or breaks out from where it was intended to be.  
This exclusion does not apply if the discharge, dispersal, release or escape is sudden and accidental;
14. ***bodily injury*** and/or ***property damage*** liability imposed by law on an *insured* for use of a *automobile* or watercraft, except as provided in the *underlying insurance*. This umbrella insurance coverage does not apply to any *automobile* No-Fault, Uninsured/Underinsured Motorist coverage or Supplemental Spousal Liability coverage or other similar coverage;
15. ***bodily injury*** or ***personal injury*** resulting directly or indirectly from the transmission of a communicable disease by an *insured*;
16. ***bodily injury*** and/or ***property damage*** resulting from the use of animals in any racing, speed, pulling or pushing, demolition or stunting activity or contest or in the practice or preparation for such activity or contest;
17. ***bodily injury*** and/or ***personal injury*** arising directly or indirectly out of instances, *occurrences* or allegations of child abuse and/or corporal punishment;
18. ***bodily injury*** and/or ***personal injury*** arising directly or indirectly out of instances, *occurrences* or allegations of sexual abuse, physical abuse or mental abuse of any person; or
19. ***bodily injury***, ***property damage*** and/or ***personal injury*** arising directly or indirectly out of instances, *occurrences* or allegations of criminal activity by any *insured* or by employees of an *insured*;
20. ***bodily injury*** and/or ***personal injury*** sustained by any *insured*;
21. liability assumed under any contract or agreement, except as provided by the *underlying insurance*;
22. Punitive damages, exemplary damages or damages other than compensatory damages;
23. ***Bodily injury*** and/or ***property damage*** arising out of any assault, battery, fight, altercation, misconduct or other similar incident or act of violence, whether caused by or at the instigation of, or at the direction of the *insured*, his/her *employees*, customers, patrons, guests or any cause whatsoever, including, but not limited to claims of negligent or improper hiring practices, negligent, improper or non-existent supervision of *employees*, patrons or guests and negligence in failing to protect customers, patrons or guests.

**EXCLUSIONS THAT APPLY TO BODILY INJURY AND/OR PERSONAL INJURY:**

***We*** do not pay for any loss resulting directly or indirectly from the following, unless specific coverage is added to ***your*** policy.

**WE DO NOT PAY FOR:**

24. ***Bodily injury/personal injury/advertising injury*** to:
- a. a person arising out of any refusal to employ that person;
  - b. a person arising out of any termination of that person's employment;
  - c. a person arising out of any employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
  - d. the spouse, child, parent or sibling of that person as a consequence of ***bodily injury*** or ***property damage*** to that person at whom any of the employment related practices described in paragraphs a., b., or c., above are directed.

This exclusion applies whether the *insured* may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

## E. WHAT YOU MUST DO IN CASE OF LOSS

### 1. Notice.

- a. In case of an *occurrence, offense*, claim or *suit* or if *you* become aware of anything that indicates there might be a claim under this policy, *you* must give notice in writing if requested, as soon as reasonably practicable. Notice given by or on behalf of the *insured*, or written notice by or on behalf of the injured person or any other claimant, to any licensed agent of the insurer in this state, with particulars sufficient to identify the *insured*, shall be deemed notice to the insurer.
- b. The notice to *us* must state:
  - 1) *your* name, policy number and the time, place and circumstances of the *occurrence*; and
  - 2) names and addresses of any potential claimants and witnesses.

### 2. Cooperation-*You* must cooperate with *us* in performing all acts required by this policy.

### 3. Volunteer Payments-*You* must not, except at *your* own cost, voluntarily make any payments, assume any obligations, or incur any other expenses.

### 4. Additional Duties *Bodily Injury and/or Property Damage Coverages*-In the event of an *occurrence* and/or *offense* which might result in a claim for *bodily injury, property damage*, and/or *personal injury* liability under this policy, *you* must also do the following:

- a. promptly forward to *us* copies of all notices, demands or legal papers received in connection with the occurrence and/or offense; and
- b. at *our* request, assist in:
  - 1) making settlements;
  - 2) the conduct of *suits* including attending trials and hearings;
  - 3) enforcing any right of contribution or indemnification against any party who may be liable to any *insured* for the injury or damage;
  - 4) securing and giving evidence; and
  - 5) obtaining the attendance of witnesses.

### 5. Medical Reports; Proof and Payment of Claim.

As soon as practicable, the injured person or someone on his/her behalf shall give to *us* written proof of claim, under oath if required, and shall, after each request from *us*, execute authorization to enable *us* to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by *us* when and as often as *we* may reasonably require. *We* may pay the injured person or any person or organization rendering the services and to the extent *we* make these payments, *we* are no longer obligated to pay this amount to *you* or another party seeking recovery of these amounts. Payment shall not constitute an admission of liability by any person or by *us*.

## F. HOW MUCH WE PAY FOR LOSS OR CLAIM

For the purpose of determining *our* limit of liability, all *bodily injury* and/or *property damage* arising out of continuous or repeated exposure to substantially the same general condition(s) shall be considered as arising out of one *occurrence*. With respect to *our* limit of liability for *personal injury*, repeated exposure to substantially the same general condition(s) arising from any listed *offense* shall constitute one *offense*. The most *we* will pay for any covered *occurrence* and/or a covered *offense* is one limit of liability.

### 1. The limit of liability stated on the Declarations page, the Supplemental Declarations page or attached endorsements and the conditions set forth below fix the maximum amounts *we* will pay for loss regardless of the number of:

- a. persons insured under this policy;
- b. persons or organizations who sustain *bodily injury, property damage* and/or *personal injury*; or
- c. claims made or *suits* brought.

### 2. The Each *Occurrence/Offense* Limit, subject to the aggregate limit of liability, is the most *we* pay for the total of damages under the *bodily injury, property damage* and/or *personal injury* coverages.

### 3. The policy period shown on the declarations page, the supplemental declarations page or other endorsements added to this policy may be for a period of one year or longer. HOWEVER, for the purpose of determining any or all aggregate limits of liability described in this section, or in endorsements attached to this policy, policy period means a three year period beginning with the inception date of the policy (and for each subsequent three year period if applicable).

### 4. These agreements are extended to include an increase in the aggregate limit of liability in proportion to any policy extension whether required by the issuance of a late or incomplete conditional renewal notice, late non-renewal

notice or other reason. The aggregate limit of liability is the most **we** will pay during a policy period for the sum of all damages under the **bodily injury, property damage** and/or **personal injury** coverages.

5. Insurance Under More Than One Policy.

a. Insurance under this personal Umbrella Insurance is excess over any other primary insurance including any **retained limits** shown on the declarations:

1) if the other insurance, whether primary, excess, contingent or on any basis, provides:

- a) fire, extended coverage, builders' risk, installation risk or similar coverage for **your work**; or
- b) fire insurance for the premises rented to **you** or temporarily occupied by **you** with permission of the **insured**; or

2) if the other insurance applies to any loss arising out of the maintenance or use of aircraft, **automobiles** or watercraft which may be covered by this policy.

The amount of **our** liability is not reduced by other insurance which applies to the loss solely on an excess basis.

b. This personal Umbrella Insurance is excess over all other valid and collectible insurance. In the event that other insurance responds to losses to which this policy is applicable, **we** will share on the limited basis shown in subsections c. and d. that follow.

c. If the other insurance is also primary, **we** will share in the loss as follows:

1) if the other insurance provides for contribution by equal shares, **we** will pay equal amounts with other insurers until:

- a) the lowest applicable limit under any one policy is reached; or
- b) the full amount of the loss is paid. If part of the loss remains unpaid, **we** will pay an equal share with the other insurers until the full amount of the loss is paid, or until **we** have paid **our** limit of liability in full.

2) if the other insurance does not provide for contribution by equal shares, **we** will pay that proportion of the loss to which **our** applicable limit under this policy bears to the total applicable limit for all insurance covering the loss.

d. When this insurance is excess over any other insurance:

1) **we** will have no duty to defend any claim or **suit** that any other insurer has a duty to defend. If no other insurer defends, **we** will do so. However, **we** will be entitled to the **insured's** rights against all those other insurers.

2) **we** will pay **our** share of the amount of loss, if any, that exceeds the sum of:

- a) the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- b) the total of all deductibles and self-insured amounts required by such other insurance.

**We** will share the remaining loss with any other insurance that is not described in this excess insurance provision and that does not specifically apply in excess of the limits of insurance shown on the declarations page, the supplemental declarations page or attached endorsements of this Personal Umbrella Insurance.

## G. CONDITIONS

In addition to the policy **terms** which are contained in other sections of this policy, the following conditions also apply:

1. **Assignment**-Assignment of this policy is not valid without **our** written consent. The **terms** of this insurance can be altered or waived only by endorsement issued by **us** and made a part of this policy. This policy contains all of the agreements between **you** and **us** concerning the insurance provided.

2. **Cancellation/Non-renewal**-Conclusion of insurance will be conducted in accordance with the provisions established by each jurisdiction. Please refer to the State Specific endorsement for further details.

3. **Conformity with Statute-Terms** of this policy, in conflict with the statutes of the state where the premises described in the Declarations are located, is amended to conform to such statutes.

4. **Misrepresentation, Concealment or Fraud**-There is no coverage, whether before or after a loss;

a. if an **insured** has willfully concealed or misrepresented:

- 1) any material fact or circumstance concerning this insurance; or
- 2) an **insured's** interest.

b. if there has been fraud or false swearing by an **insured** regarding any matter relating to this insurance or the subject of this insurance.

5. **Inspection and Audit**-**We** are permitted but not obligated to inspect **your** property and operations. **Our** inspection or any resulting advice or report does not warrant that **your** property or operations are safe, healthful or in compliance with any law, rule or regulation.

**We** may examine and audit the named *insured's* books and records at any time during the policy period, and extensions of the policy period and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance. These conditions apply:

- a. An audit to determine final premium under which the initial premium is based on an estimate of the *insured's* exposure base shall be conducted within one hundred eighty (180) days after expiration of *your* policy, and may not be waived except in the following circumstances:
  - 1) the total annual premium attributable to the auditable exposure base is not reasonably expected to exceed \$1500; or
  - 2) the policy requires notification to *us* with specific identification of any additional exposure units for which coverage is requested;
- b. **We** shall, as soon as practicable following an audit, refund or credit *your* account for any return premium due or bill *you* and make a good faith effort to collect any additional premium due *us* as a result of the audit.
- c. If *you* fail to cooperate with *us* in *our* attempt to conduct such audit, including *your* failure to return any questionnaires or self-audit worksheets, **we** shall non-renew *your* policy upon completion of the current policy term, in accordance with applicable insurance law, due to *our* inability to establish the proper premium for *your* account.

**6. Subrogation.**

- a. if **we** make a payment under this policy, **we** may require that the *insured* assign to *us* his/her right of recovery against any person for the loss to the extent of the payment. The *insured* must do everything necessary to make this assignment and to secure *our* rights.
- b. **we** are not liable for any loss if an *insured* does anything after the loss occurs to impair *our* right to recover.
- c. If **we** pay a loss to or on behalf of an *insured* and the *insured* recovers damages from another person for the same loss, the *insured* shall hold the amount recovered in trust for *us* and shall reimburse *us*.

**7. Suit Against Us-**No *suit* may be brought against *us* to recover amounts due for *bodily injury* and/or *property damage* liability unless:

- a. the *terms* of this policy have been fully complied with; and
- b. the amount of any *insured's* liability has been conclusively fixed:
  - 1) by a final judgment against the *insured*; or
  - 2) by written agreement of the *insured*, the claimant and *us*.

No person shall have any right under this policy to join or implead *us* in any action brought to determine an *insured's* liability.

A provision that in case judgment against the *insured* or his personal representative in an action brought to recover damages for injury sustained or loss or damage occasioned during the life of the policy or contract shall remain unsatisfied at the expiration of thirty days from the serving of notice of entry of judgment upon the attorney for the *insured*, or upon the *insured*, and upon the insurer, then an action may, except during a stay or limited stay of execution against the insured on such judgment, be maintained against the insurer under the terms of the policy or contract for the amount of such judgment not exceeding the amount of the applicable limit of coverage under such policy or contract.

**8. Bankruptcy of an Insured-**Bankruptcy or insolvency of any *insured* or his/her estate does not relieve *us* of any obligations under this policy.

**9. Maintenance of Underlying Insurance-***You* must maintain each and every type of insurance policy shown on the schedule of *underlying insurance* attached to this policy. *You* must maintain those policies for the full term of this insurance contract and for no lesser limits than those shown on the schedule; except for reductions in aggregate limit(s) due to payment of covered claims for *bodily injury*, *property damage*, and/or *personal injury*. *You* must give *us* written notice of any change in the *underlying insurance* with respect to coverage, limits of insurance or liability, termination of any coverage or exhaustion of any aggregate limit(s). In the event that *you* fail to comply with these *terms*, **we** will pay any covered loss only to the extent that **we** would be legally obliged to had *you* been in full compliance with this agreement.

**10. Premium-**All premium for this insurance shall be computed in accordance with *our* rules, rates, rating plans, premiums and minimum premiums applicable to the insurance. Premium designated in this policy as "provisional premium" is a deposit premium only, which shall be credited to the amount of the earned premium due at the end of the policy period. At the close of each policy period, the earned premium shall be computed and upon notice to the first named *insured* the earned premium shall become due and payable. If the total earned premium for the policy period is less than the premium previously paid, **we** shall return the unearned portion to the first named *insured*. The first named *insured* shall maintain records of such information for premium computation and shall send copies of such records to *us* at the end of the policy period and at such times during the policy period as **we** may request.

11. **Representations-You** agree that the statements or representations **you** made in the process of obtaining this insurance from **us** are accurate and complete and that the issuance of this policy is in reliance on those statements or representations.
12. **Financial Responsibility Laws**-When this policy is certified as proof of financial responsibility under the provisions of any motor vehicle financial responsibility law, the insurance afforded by this policy for **bodily injury** and/or **property damage** liability shall comply with the provisions of the law to the extent of the coverage and limits of liability required by the law. The **insured** agrees to reimburse **us** for any payment which **we** would not have been obligated to make under the policy except for the agreement contained in this paragraph.
13. **Severability of Interest**-This insurance applies separately to each **insured** against whom claim is made or **suit** is brought, however, this agreement does not increase the applicable limit of insurance or exempt any **insured** from any rights and duties specifically assigned to them in this policy.