



IMPORTANT NOTICE TO POLICYHOLDER RENEWAL DISCLOSURE FORM COMMERCIAL GENERAL LIABILITY COVERAGE FORM (CLAIMS-MADE VERSION)

THIS NOTICE IS NOT YOUR POLICY. ON RENEWAL A NEW COMMERCIAL GENERAL LIABILITY INSURANCE POLICY WILL REPLACE YOUR CURRENT POLICY. THIS DISCLOSURE DESCRIBES THE MAJOR CHANGES FOUND IN YOUR NEW COMMERCIAL GENERAL LIABILITY INSURANCE COVERAGE. CHANGES DESCRIBED BELOW ARE GENERAL IN NATURE. YOUR POLICY MAY CONTAIN FURTHER CHANGES OR MODIFICATIONS MAKING IT NECESSARY TO CLOSELY READ YOUR POLICY AND ANY ENDORSEMENTS TO DETERMINE RIGHTS, DUTIES, AND COVERAGE.

ONLY THE PROVISIONS OF YOUR POLICY AND ENDORSEMENTS ATTACHED BY US DETERMINE THE SCOPE OF YOUR INSURANCE PROTECTION.

PLEASE CONTACT YOUR AGENT OR BROKER FOR FURTHER INFORMATION.

A SUMMARY OF THE MAJOR CHANGES IS PROVIDED BELOW.

HG 00 02 Commercial General Liability Coverage Form (Claims-Made Version)

Our policies providing commercial general liability insurance coverage on a claims-made basis have been revised. We are replacing your previous policy form **GN 00 36** with a new policy form **HG 00 02**. Below we describe the important differences between these two coverage forms.

Read your policy carefully, including the list of endorsements.

A. FORMAT CHANGES:

Many of the changes in your policy are related to change in format. Due to the change in construction of the policy forms, many of the terms that were built into the policy form now appear in endorsements which are attached to your renewal policy. The new format is consistent with the format of the standard coverage forms of Insurance Services Office, Inc.

1. **Section I – Coverages** is revised as follows:
 - a. Coverage for Bodily Injury and Property Damage is now **Coverage A Bodily Injury and Property Damage Liability**;
 - b. Coverage for Advertising Injury and Personal Liability is now **Coverage B Personal and Advertising Injury Liability**;
 - c. Coverage for Medical Payments is now **Coverage C Medical Payments**.
2. The definition of "Asbestos Hazard" and "Pollutants" have been moved from the **Asbestos and Pollution Exclusions** respectively to the **Definitions Section**.
3. The **Employment-Related Practices Exclusion** has been revised to refer to the new definition of Employment-Related Practices that is based on the previous exclusion.
4. The following provisions, previously found in **GN 00 36**, are now found in endorsements attached to your policy: Aircraft Products Exclusion and associated definitions, [Absolute] Pollution Exclusion, Newly Acquired Organizations and Unnamed Subsidiary Provisions, Premiums and Premium Audit Provisions, Other Insurance Condition and Policy Period Provisions.
5. The following policy conditions are now in a Common Policy Conditions endorsement attached to your policy: Cancellation, Changes, Examination Of Books And Records, and Inspections And Surveys.
6. The Nuclear Energy Liability Exclusion is now contained in an endorsement attached to your policy.
7. An extended reporting period provision equal to the one in your expiring policy is now provided by an endorsement that replaces **Section V Extended Reporting Periods** in your renewal policy.

8. Your renewal policy has built into it the terms and conditions of three previous mandatory endorsements found in your expiring policy: **Amendment of Policy Provisions**, **Amendment Of Personal And Advertising Injury**, and the **War Liability Exclusion**.

B. REDUCTIONS IN COVERAGE

1. Under the **Employer's Liability Exclusion** of Coverage A Bodily Injury And Property Damage Liability, we deleted the exception for bodily injury to fellow employees for services rendered by any nurse, emergency medical technician, or paramedic who is employed by the insured, but only if the insured is not in the business of providing such services. The coverage for such injuries to others is still provided.
2. Under **Coverage B Personal And Advertising Injury Liability** we added the following exclusions:
 - a. The **Electronic Chatrooms Or Bulletin Boards Exclusion** eliminates coverage arising out of electronic chatrooms or bulletin boards you own, host or control.
 - b. The **Internet Advertisements And Content Of Others Exclusion** bars coverage arising out of: advertisements for others on your web site; placing links to the web sites of others; content of others displayed within a frame or border on your web site; or computer code, software or programming that enables your web site.
3. The **Athletics Activities Exclusion** under Coverage C Medical Payments, provides additional information as to what types of athletic activities are excluded with respect to medical payments. Medical expenses are not intended to be provided to a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests. This may be considered a reduction in coverage in some jurisdictions.
4. The following changes apply to the **Who Is An Insured Section**, under the provision now titled **Additional Insured When Required By Written Contract, Written Agreement Or Permit**:
 - a. Except for the provisions related to Vendors, Lessors Of Land Or Premises and Permits Issued by States Or Political Subdivisions, the following changes apply:

Your policy now covers a person or organization afforded additional insured status ONLY if bodily injury, property damage or personal and advertising injury is caused in whole or in part by your acts or omissions or the acts or omissions of those working on your behalf. There is NO coverage for the additional insured for injury or damage caused entirely by any negligence that is not attributable to you or to those acting on your behalf. If you have added other persons or organizations as additional insureds using an endorsement, refer to the section of this notice titled: Additional Insured Endorsements. This may be a reduction in coverage in states where the law or the courts permit you to contractually hold harmless an additional insured for that additional insured's sole negligence.
 - b. Under the **Vendors** provision, we have added an exclusion for demonstrations, installation, servicing or repair operations and a limited exclusion for the sole negligence of the vendor. This latter exclusion does not apply if the bodily injury or property damage is caused by:
 - (1) Repackaging solely for the purpose of inspection, demonstration, testing or the substitution of parts under instruction from you, and then repackaged in the original container; or
 - (2) Inspections, adjustments, tests or servicing that the vendor has agreed to make or normally undertake to make in the usual course of business, in connection with the distribution or sale of the products.If attached to your policy, this change also applies to endorsement **Additional Insured – Vendors CG 20 15**, which replaces **GN 20 15**.
 - c. Under the **Any Other Parties** provision, we have added an exclusion for liability arising out of the rendering of or failure to render professional architectural, engineering or surveying services.
5. In the **Limits Of Insurance Section** the following changes apply:
 - a. The Medical Payments Coverage Limit is now subject to the General Aggregate Limit.
 - b. We added a provision that states that the limits available to an additional insured added by written contract or agreement are no greater than the limits required by such contract or agreement. This may be reduction in coverage for the additional insured if the contract specifies limits that are less than the limits of your policy.
6. The following changes have been made in the **Definitions Section**:
 - a. The definition of "**bodily injury**" has been revised to explicitly state that bodily injury, including consequential mental anguish and death, must arise from injury, sickness or disease that is physical in character. This may be a reduction in coverage in those states that recognize injury, sickness or disease that is mental or psychological in character as bodily injury without an accompanying physical injury to cause it.

b. Paragraph f. of the definition of "insured contract" was revised to eliminate assumptions of liability from others for bodily injury or property damage that was not caused in whole or in part by you or those working on your behalf. This may be a reduction in coverage in states where the law or the courts permit you to contractually hold harmless an additional insured for that additional insured's sole negligence.

7. The exclusion entitled **Violation of Statutes That Govern E-Mails, Fax, Phone Calls or Other Methods of Sending Material or Information** has been added by endorsement to reinforce that coverage is not intended to be provided under the policy for any injury or damage that violates the Telephone Consumer Protection Act, the CAN-SPAM Act or any other regulation that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

C. BROADENINGS IN COVERAGE

1. We have broadened the exception in the **Expected or Intended Injury Exclusion** to also apply to "property damage" resulting from the use of reasonable force to protect persons or property.
2. The **Supplementary Payments** provision now affirmatively covers prejudgment interest and the cost of appeal bonds.
3. The **Additional Insured When Required By Written Contract, Written Agreement Or Permit** under the Who Is An Insured Section was revised:
 - a. To add a clause that provides coverage to State Or Political Subdivisions that issues you a permit. This may be a broadening of coverage in those states that may not recognize permits as a written contract.
 - b. To change the provision under paragraph 6.f. to specifically state that liability in connection with the "products-completed operations hazard" is covered when required in a written contract. This may be a broadening of coverage in those states that may not have interpreted the previous version as being sufficiently broad to include products-completed operations.
4. The unauthorized warranties exclusion under **Who Is An Insured – Vendors** now applies only to unauthorized warranties that are express in nature. If attached to your policy, this change also applies to endorsement **Additional Insured – Vendors CG 20 15**, which replaces **GN 20 15**.

D. OTHER CHANGES IN COVERAGE

1. Two editorial changes have been made to the Insuring Agreement, which are consistent with language in the standard coverage forms of Insurance Services Office, Inc. The words "all sums" has been replaced with the words "those sums" in the first sentence. In the second sentence we have deleted the word "claim" in accordance with the intent to defend insureds against suits and investigate and settle claims.
2. Exclusions j. and k. have been replaced with versions identical to those in the standard coverage forms of Insurance Services Office, Inc. These revised exclusions refer to the defined term "impaired property."
3. An **Electronic Data Exclusion** was added. This exclusion reinforces a similar provision in the definition of Property Damage that states that electronic data is not tangible property. Under the basic Coverage Form, coverage is provided only for damage to property that is tangible in nature.
4. The **Damage To Premises Rented To You – Exception For Damage By Fire, Lightning Or Explosion** provision was revised so that the exception does not apply to the revised war exclusion described above.
5. The subparagraphs under the **Duties In The Event Of Occurrence, Offense, Claim Or Suit** Condition were revised to reflect the addition of duties for Additional Insured. This clause was revised to explicitly show that a failure by the additional insured to provide the required notice does not affect coverage available to you.
6. The new built in grant of coverage for discrimination is excluded under Coverage B Personal And Advertising Injury Liability when endorsement **HC 21 95 Exclusion Discrimination** is attached.
7. We have expanded the **Transfer Of Rights Of Recovery Against Others To Us** Condition to also refer to Supplementary Payments as included in payments for which we have a right of recovery.
8. The **Transfer Of Rights Of Recovery Against Others To Us** Condition was also revised to add a provision titled Waiver Of Rights Of Recovery (Waiver Of Subrogation). This clause explicitly states that we will waive any subrogation rights we may have against other parties when you have also waived such rights in a contract with them. This waiver applies to supplementary payments we make in addition to any damages we pay on your behalf.

9. The following changes have been made in the **Definitions Section** :
- a. We changed the definition of **"bodily injury"** to explicitly include mental anguish as a consequence of physical injury, sickness or disease,
 - b. The Definition of **insured contract** now includes Damage To Premises Rented To You, subject to the Limits Of Insurance provision of the policy.
 - c. The definition Of **Personal And Advertising Injury** has been amended to include consequential bodily injury.
 - d. We have deleted reference to the defined terms **"claim"** and **"claim expenses"**. All provisions related to claim expenses are now contained in the Supplementary Payments section.
 - e. Various definitions relating to your employees have been added in order to align with the definitions in the current standard coverage forms of Insurance Services Offices, Inc. We have amended the definitions of "employee" and "leased worker", deleted the definitions of "employee leasing firm", "service contractor" and "temporary help service", and added a definition for "temporary worker."

E. ADDITIONAL INSURED ENDORSEMENTS

If any one or more of these coverage forms are part of your renewal policy, this notice applies to you. Please read it carefully.

REDUCTIONS IN COVERAGE

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| CG 20 07 (Previously GN 20 07) | ADDITIONAL INSURED – ENGINEERS, ARCHITECTS, OR SURVEYORS |
| CG 20 10 (Previously GN 20 10) | ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION |
| CG 20 15 (Previously GN 20 15) | ADDITIONAL INSURED – VENDORS |
| CG 20 26 (Previously GN 20 26) | ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION |
| CG 20 28 (Previously GN 20 28) | ADDITIONAL INSURED – LESSOR OF LEASED EQUIPMENT |
| CG 20 32 (Previously GN 20 32) | ADDITIONAL INSURED – ENGINEERS, ARCHITECTS OR SURVEYORS NOT ENGAGED BY THE NAMED INSURED |

If any of these endorsements are a part of your renewal policy, we cover the person or organization designated in the endorsement as an additional insured ONLY if bodily injury, property damage or personal and advertising injury is caused in whole or in part by the acts or omissions of you or of those working on your behalf. There is NO coverage for the additional insured for injury or damage caused entirely by any negligence that is not attributable to you or to those acting on your behalf. This may be a reduction in coverage in states where the law or the courts permit you to contractually hold harmless an additional insured for that additional insured's sole negligence.

Under endorsement **CG 20 15 – Additional Insured – Vendors** listed above, this reduction in coverage does not apply if the bodily injury or property damage is caused by:

1. Repackaging solely for the purpose of inspection, demonstration, testing or the substitution of parts under instruction from you, and then repackaged in the original container; or
2. Inspections, adjustments, tests or servicing that the vendor has agreed to make or normally undertake to make in the usual course of business, in connection with the distribution or sale of the products.