

IMPORTANT NOTICE TO POLICYHOLDERS

PREFACE

Below you will find a standardized notice ("Louisiana Notice") promulgated by the Louisiana Department of Insurance pursuant to Louisiana Statute Section 22:696. It is intended to raise your awareness of terms and conditions in insurance policies applicable to windstorm, flood and mold. Because many insurers operate in the Louisiana Insurance Market, the Louisiana Notice provides general information common to many policies. As a result, the specific language contained in each policy can, of course, differ. In reading the Louisiana Notice, please keep in mind the following information about your Chubb Policy.

Your policy includes a policy deductible (shown in the declarations) that applies to all types of covered loss or damage. When a windstorm deductible endorsement is shown in the Schedule of Forms included with your policy, a windstorm specific deductible applies to covered loss or damage caused by or resulting from windstorm. Please refer to the windstorm deductible language of your policy to determine the deductible amount which is shown in the endorsement or on the Declarations. The applicable deductible applies to windstorm of any kind and is not limited to hurricane.

The flood exclusion in your policy applies to loss or damage caused by or resulting from:

- *waves, tidal water or tidal waves; or*
 - *rising, overflowing or breaking of any boundary,*
- of any natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not, regardless of any other cause or event that directly or indirectly:*

- *contributes concurrently to; or*
 - *contributes in any sequence to,*
- the loss or damage, even if such other cause or event would otherwise be covered.*

Please also note that the flood exclusion in your policy does not apply to:

- *ensuing loss or damage caused by or resulting from a specified peril (as defined in your policy); and*
- *certain types of property, including, but not limited to electronic data processing property, fine arts and valuable papers.*

Your policy addresses loss or damage caused by or resulting from mold in a number of ways. First, your policy may provide a specific coverage to pay for the clean-up or removal of various types of fungus, including mold and mildew. Specific limits apply to this coverage. Second, your policy may include a fungus exclusion. This exclusion does not apply to the specific coverage discussed above and to listed perils.

Please read your policy carefully to determine what is and is not insured. Only the terms and conditions of your policy establish the scope of your insurance protection.

The Louisiana Notice follows:

**“IMPORTANT INFORMATION REQUIRED BY THE
LOUISIANA DEPARTMENT OF INSURANCE**

(This form was promulgated pursuant to LSA-R.S.22:667.1 and 22:696)

THIS IS ONLY A SUMMARY OF YOUR COVERAGE AND DOES NOT CHANGE, EXPAND OR REDUCE THE COVERAGE OR ANY OTHER PROVISIONS CONTAINED IN YOUR POLICY. INSURANCE IS A CONTRACT. THE LANGUAGE IN YOUR INSURANCE POLICY CONTROLS YOUR LEGAL RIGHTS.

READ YOUR INSURANCE POLICY FOR COMPLETE
POLICY TERMS AND PROVISIONS

COVERAGE(S) FOR WHICH PREMIUM WAS PAID

Building, Personal Property, Business Income and Extra Expense Coverages contained in the contracts listed in the Schedule of Forms issued with your policy.

Please remember that whether or not these coverages apply at specific premises, or at all, will vary depending on the information shown in the Declarations and/or schedules attached to your policy.

DEDUCTIBLES

This policy sets forth certain deductibles that will be applied to claims for damages. When applicable, a deductible will be subtracted from your total claim and you will be paid the balance subject to applicable coverage limits.

NOTICE: This policy does set forth a deductible for covered losses caused by windstorm as described in the policy. Look at the Declarations Page of your policy to determine the amount of the deductible that will apply to any claim for damage caused by windstorm. Refer to the specific windstorm or hurricane deductible endorsement to determine the amount of the deductible that will apply to any claim for damage caused by windstorm.

****** You may be able to reduce your premium by increasing your deductible. Contact your insurance producer/agent or insurance company for more details.

Windstorm Deductible Loss Examples

All of the following windstorm examples assume that a windstorm deductible endorsement is attached to the policy and no coinsurance penalty applies.

Example 1:

Windstorm Property Damage Dollar Deductibles – Blanket Limits on Declarations

Blanket Limit Of Insurance for premises #1&2	\$1,000,000
Loss to Building at Premises #1	\$ 100,000
Loss to Building at Premises #2	\$ 100,000
Total Dollar Deductible for Premises #1&2	\$ 75,000*

* Both premises #1&2 were damaged by windstorm from the same occurrence. The respective Property Damage Dollar Deductible is separately applied to Premises #1 and Premises #2, for a total deductible of \$75,000. It is not the larger of the two Property Damage Dollar Deductibles since the Property Damage Dollar Deductible is applied per premises.

Example 2:

Windstorm Percentage Deductible – Specific Limits on Declarations

Assume there is loss or damage to building and personal property at both premises and that the limits of insurance are specific (in lieu of blanket).

Important Notice to Policyholders

Building limit at premises #1	\$5,000,000
Personal Property limit at premises #1	\$1,000,000
Building limit at premises #2	\$2,000,000
Personal Property limit at premises #2	\$1,000,000
Percentage Deductible is 5%	\$ 450,000*

Since the limits are specific in the Declarations (no blanket limits), the “specific insurance” provision for calculating the Property Damage Percentage Deductible would be used. Under the Specific Insurance provision, the percentage deductible is applied to the limit for each coverage at each premises.

* Under the Specific Insurance provision, the deductible is calculated by type of coverage, in this case, building and personal property. Building would have a deductible of \$350,000 (5% of \$5,000,000 at Premises #1 and 5% of \$2,000,000 at Premises #2). Personal property would have a deductible of \$100,000 (5% of \$1,000,000 at Premises #1 and 5% of \$1,000,000 at Premises #2).

Example 3:

Windstorm Percentage Deductible – Specific Limits on Declarations (Apply Percentage To Statement Of Values)

Assume there is loss or damage to building and personal property at both premises, that the limits of insurance are specific (in lieu of blanket), and that the “Apply Percentage To Statement Of Values”

option is chosen.

Building limit at premises #1	\$ 5,000,000
Personal Property limit at premises #1	\$ 1,000,000
Building limit at premises #2	\$ 2,000,000
Personal Property limit at premises #2	\$ 1,000,000
Most recent 100% building & personal property values reported to us for premises #1&2	\$10,000,000
5% Deductible	\$ 500,000*

* 5% Deductible is applied to the 100% values the insured most recently furnished to us for the types of covered property (building and personal property) that sustained loss or damage.

Example 4:

Windstorm Percentage Deductible – Blanket Limits on Declarations

Assume a single insured premises is damaged by windstorm

Blanket limit for Building & Personal Property	\$5,000,000
Loss to Building	\$ 100,000
Loss to Personal Property	\$ 1,000
Most recent reported values for building	\$ 500,000
Most recent reported values for personal property	\$1,000,000
5% Deductible	\$ 75,000*

* 5% Deductible is applied to the 100% values the insured most recently furnished to us for the types of covered property (building and personal property) that sustained loss or damage.

A Windstorm or Hail Deductible of \$75,000 applies to the loss of \$101,000. However, if the insured does not wish to make claim for loss to Personal Property, the Windstorm or Hail Deductible applicable to the building is \$25,000, as the Windstorm or Hail Deductible is calculated only on the types of property which are damaged and for which a claim is made.

LIMITATIONS OR EXCLUSIONS UNDER THIS POLICY

FLOOD: Flood damage is not covered, regardless of how caused, when flood is the peril that causes the loss. This may include, but is not limited to, storm surge, waves, tidal water, overflow of a body of water, whether driven by wind or not.

Flood Insurance may be available through the National Flood Insurance Program (NFIP). NFIP flood insurance may provide coverage for damage to your building and/or contents subject to the coverage limits and terms of the policy.

Excess Flood Insurance may be available under separate policy from this or another insurer if the amount of the primary flood insurance is not enough to cover the value of your property.

You may contact your producer or insurer for more information on the National Flood Insurance Program and Excess Flood Insurance.

MOLD: Damage caused solely by mold is covered under this policy.

FOR ALL OTHER LIMITATIONS OR EXCLUSIONS REFER TO YOUR POLICY FOR
COMPLETE DETAILS ON TERMS AND PROVISIONS"

Customarq Series

IMPORTANT NOTICE TO POLICYHOLDERS

You were recently advised that, pending state regulatory approval, the language of some of your Liability contracts would be changing. Since your state has not approved these changes, your policy is renewing without the changes described in The Important Notice to Policyholders (form # 80-10-9087) sent to you.

We appreciate the opportunity to provide your insurance coverage. If you have any questions about your policy, or would like to discuss additional ways that Chubb can meet your insurance needs, please contact your authorized insurance agent or broker.

Reference Copy

IMPORTANT NOTICE TO POLICYHOLDERS

TERRORISM RISK INSURANCE ACT

This Important Notice is being provided with your policy to further satisfy the disclosure requirements of the Terrorism Risk Insurance Act.

At the time you received the written offer for this policy, we provided you with an Important Notice to Policyholders indicating that the insurance provided in your policy for losses caused by certain acts of terrorism (as defined in the Terrorism Risk Insurance Act) would be partially reimbursed by the United States of America, pursuant to the formula set forth in the Terrorism Risk Insurance Act. In addition, as required by the Terrorism Risk Insurance Act, we:

- indicated that we would make available insurance for such losses in the same manner as we provide insurance for other types of losses;
- specified the premium we would charge, if any, for providing such insurance; and
- except to the extent prohibited by law, gave you the opportunity to reject such insurance and have a terrorism exclusion, sublimit or other limitation included in your policy.

This Important Notice refers back to that Important Notice and provides information about your decision and the manner in which your policy has been subsequently modified.

If:

- You rejected terrorism insurance under the Terrorism Risk Insurance Act, your policy includes the appropriate amendatory endorsement(s).
- You did not reject terrorism insurance under the Terrorism Risk Insurance Act, the premium charged for your policy, including that portion applicable to terrorism insurance under the Terrorism Risk Insurance Act, is shown in your policy. To the extent your policy includes a limitation on terrorism insurance, it has been modified so that such limitation does not apply to terrorism insurance under the Terrorism Risk Insurance Act.

Please carefully review your policy and the Important Notice previously provided to you for further details. Please remember that only the terms of your policy establish the scope of your insurance protection.

Please note that if your policy:

- ***provides commercial property insurance in a jurisdiction that has a statutory standard fire policy, the premium we charge for terrorism insurance under the Terrorism Risk Insurance Act, includes an amount attributable to the insurance provided pursuant to that standard fire policy. Rejection of such statutory insurance is legally prohibited.***
- ***is a workers compensation policy, rejection of insurance for terrorism is legally prohibited.***

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Reference Copy

last page

IMPORTANT NOTICE TO POLICYHOLDERS

This Important Notice is not your policy. Please read your policy carefully to determine your rights, duties, and what is and what is not covered. Only the provisions of your policy determine the scope of your insurance protection.

THIS IMPORTANT NOTICE PROVIDES INFORMATION CONCERNING POSSIBLE IMPACT ON YOUR INSURANCE COVERAGE DUE TO COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS.

PLEASE READ THIS NOTICE CAREFULLY.

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. For example, the United States Treasury Department's Office of Foreign Asset Control (OFAC) administers and enforces economic and trade sanctions and places restrictions on transactions with foreign agents, front organizations, terrorists, terrorists organizations, and narcotic traffickers. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation, to impose controls on transactions and freeze foreign assets under United States jurisdiction. (To learn more about OFAC, please refer to the United States Treasury's web site at <http://www.treas.gov/ofac>.)

To the extent that you or any other insured, or any person or entity claiming the benefits of this insurance has violated any applicable sanction laws, this insurance will not apply.

We have added a condition or section that applies to the entire policy called Compliance With Applicable Trade Sanctions, which stipulates that your insurance policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

Reference Copy

POLICYHOLDER NOTICE

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter "Chubb") distribute their products through licensed insurance brokers and agents ("producers"). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.

Reference Copy

Life Sciences Insurance Program

FOR

PAMLAB INC.

Producer:

STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Chubb Servicing Office:

HOUSTON
2800 POST OAK BLVD
SUITE 2400
HOUSTON, TX 77056-6118

Reference Copy

Customarq Series Life Sciences Insurance Program

How To Report A Loss

To report a **Loss**, use the following procedure.

Loss Notification

If an **Insured Person** has a **Loss**, please contact us by telephone as soon as possible for further assistance:

Telephone Number: 1-800-252-4670

24 hours a day, 7 days a week

Fax Number

You may also fax the loss report during normal business hours to:

Fax Number: 1-800-300-2538

Mailing Address

You may mail your loss report to the following address:

Chubb Group Of Insurance Companies
Claim Service Center
600 Independence Parkway
P.O. Box 4700
Chesapeake, Va. 23327-4700

Reference Copy

Customarq Series Life Sciences Insurance Program

Table Of Contents

This Table Of Contents is provided to acquaint you with the overall organization of this policy.

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Property Contracts *

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Liability Insurance Section

Liability Schedule Of Forms & Declarations

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Liability Endorsements

International Workers' Compensation Section

International Workers' Compensation Declarations

International Workers' Compensation Contracts *

Auto DIC Section

Auto DIC Declarations

Auto DIC Contracts *

Auto DIC Endorsements

Common Policy Section

Common Policy Conditions

Common Policy Endorsements

* Note: Each contract within a section has its own Table Of Contents to facilitate your use of them.

Reference Copy

last page

Customarq Series Life Sciences Insurance Program

Premium Summary

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

*Issued by the stock insurance company
indicated below, herein called the company.*

FEDERAL INSURANCE COMPANY

Producer No. 0024843

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

*Incorporated under the laws of
INDIANA*

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Premium Payment

The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.

Estimated Premiums

Premiums shown in this summary with an asterisk(*) are estimated premiums and are subject to audit.

For each audit period we will compute the earned premium for that period based on our audit. If as a result of our audit additional premiums are due, they are payable upon notice to the First Named Insured. If the premium paid is greater than the earned premium, we will return the excess to the first Named Insured. The audit period will be determined by the company and will be that period of time which we deem appropriate for adjustment of those policy premiums which are subject to audit. The first Named Insured must keep records of the information we need to perform the audit and send us copies at such times as we may request.

Coverage	Premium	*
PROPERTY INSURANCE SECTION	\$ 224,888	
LIABILITY INSURANCE SECTION	\$ 18,240	*
INTERNATIONAL INSURANCE SECTION	\$ 751	
INTERNATIONAL WORKERS COMP SECTION	\$ 1,500	

Reference Copy

Issue Date: OCTOBER 11, 2012

continued

Premium Summary
(continued)

INTERNATIONAL AUTO LIABILITY INSURANCE	\$ 500
TOTAL	\$ 245,879

If ATD coverage is provided on this policy, additional certificate and handling fees may be imposed during the policy term.

Coverage Premium

Additional certificate and handling fees may be imposed as respects to certification of pressure equipment as mandated by State and/or local jurisdictional authorities.

Payment Plan

This policy premium is being billed as follows. The amounts shown are due and payable as of the dates shown below:

<u>Date Payment Due</u>	<u>Amount Due</u>
AUGUST 19, 2012	\$ 69,501.03
NOVEMBER 19, 2012	\$ 61,469.75
FEBRUARY 19, 2013	\$ 61,469.75
MAY 19, 2013	\$ 61,469.75
DUE ABOVE.	
2007 LA FAIR PLAN EMERGENCY ASSESSMENT	\$ 8,031.28

Insuring Agreement

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No. 0024843

*Incorporated under the laws of
INDIANA*

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Company and Policy Period

Insurance is issued by the company in consideration of payment of the required premium.

This policy is issued for the period 12:01 AM standard time at the Named Insured's mailing address shown above:

From: AUGUST 19, 2012 To: AUGUST 19, 2013

Your acceptance of this policy terminates, effective with the inception of this policy, any prior policy of the same number issued to you by us.

This Insuring Agreement together with the Premium Summary, Schedule Of Forms, Declarations, Contracts, Endorsements and Common Policy Conditions comprise this policy.

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.


President


Secretary



Authorized Representative

Reference Copy

Property Insurance Section

Declarations

Reference Copy

Property Insurance

Schedule of Forms

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued OCTOBER 11, 2012

The following is a schedule of forms issued as of the date shown above:

<i>Form Number</i>	<i>Edition Date</i>	<i>Form Name</i>	<i>Effective Date</i>	<i>Date Issued</i>
80-02-0280	7-03	SCHEDULE OF MORTGAGEES/LOSS PAYEES	08/19/12	10/11/12
80-02-5132	8-04	LS/SUBSIDIARY LIMITS OF INSURANCE	08/19/12	10/11/12
80-02-5121	8-04	LS/ADDITIONAL EXCLUSION-EARTHQUAKE AND FLOOD	08/19/12	10/11/12
80-02-0005	7-03	PROPERTY DECLARATIONS	08/19/12	10/11/12
80-02-0052	6-05	LS/SUPPLEMENTARY DECLARATIONS - PROPERTY	08/19/12	10/11/12
80-02-0053	8-04	LS/SUPPLEMENTARY DECLARATIONS-BUSINESS INCOME	08/19/12	10/11/12
80-02-1045	2-05	PROPERTY/BUSINESS INCOME GLOBAL EXTENSION	08/19/12	10/11/12
80-02-1067	8-04	AR, FA, MONEY & SEC., VAL. PAPERS FOR LS	08/19/12	10/11/12
80-02-1068	8-04	ELECTRONIC DATA PROCESSING PROP. FOR LS	08/19/12	10/11/12
80-02-1069	8-04	EXTRA EXPENSE FOR LIFE SCIENCES	08/19/12	10/11/12
80-02-1088	8-04	BIEE & RESEARCH & DEV. INCOME COVERAGE FOR LS	08/19/12	10/11/12
80-02-1089	6-05	BUILDING AND PERSONAL PROPERTY FOR LS	08/19/12	10/11/12
80-02-1090	8-04	CHANGE IN CONTROLLED ENVIRONMENT FOR LS	08/19/12	10/11/12
80-02-1091	6-05	CONTAMINATION FOR LIFE SCIENCES	08/19/12	10/11/12
80-02-1092	6-05	PROPERTY/BI CONDITIONS & DEFINITIONS FOR LS	08/19/12	10/11/12
80-02-1095	7-03	IMPAIRMENT OF COMPUTER SERVICES-MALICIOUS PGM	08/19/12	10/11/12
80-02-1300	7-03	SCHEDULED PERSONAL PROPERTY COVERAGE	08/19/12	10/11/12
80-02-1324	10-06	WINDSTORM / HAIL DEDUCTIBLE OR WAITING PERIOD	08/19/12	10/11/12
80-02-1357	7-03	WATER DEDUCTIBLE OR WAITING PERIOD	08/19/12	10/11/12
80-02-1358	7-03	MULTIPLE OF AVG. DAILY BI DED OR WAITING PER.	08/19/12	10/11/12
80-02-1361	10-06	ADDITIONAL PERIL-EARTHQUAKE/EQSL	08/19/12	10/11/12
80-02-1428	10-06	ADD'L PERIL - FLOOD LIMIT/DED OR WAIT.PERIOD	08/19/12	10/11/12
80-02-1660	12-07	EXCL. OF CERTIFIED ACTS-INCL. ENSUING FIRE	08/19/12	10/11/12
80-02-1733	11-07	LA MAND - AMENDED CONDITIONS	08/19/12	10/11/12
80-02-5122	6-05	LS/ADDITIONAL EXCLUSIONS	08/19/12	10/11/12
80-02-5124	8-04	LS/FINISHED STOCK & SOLD PERS.PROP.LPB DELETED	08/19/12	10/11/12
80-02-5130	6-05	LS/STOCK - SPECIFIC LIMITS	08/19/12	10/11/12
80-02-5184	4-05	VALUED POLICIES	08/19/12	10/11/12
80-02-5250	6-08	ORD OR LAW & EXISTING GREEN STANDARDS LPB	08/19/12	10/11/12
99-10-0868	1-10	LOUISIANA MANDATORY - IMPORTANT NOTICE	08/19/12	10/11/12

Reference Copy

last page

Property Insurance

Schedule of Mortgagees And Loss Payees

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Policy Number 3579-64-71 DAL

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COMPANY**

Producer No. 0024843

*Incorporated under the laws of
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Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

SCHEDULE

PREMISES# 1	4099 HIGHWAY 190 COVINGTON, LOUISIANA 70433 PARISH OF ST. TAMMANY
MORTGAGEE:	J. P. MORGAN CHASE BANK NA COMMERCIAL BANKING, 28TH FLOOR MAIL CODE: LA3-5269 P. O. BOX 60279, NEW ORLEANS, LA 70160
LOSS PAYEE:	PITNEY BOWES P.O. BOX 5590 SHELTON, CT 06484
LOSS PAYEE:	AMERICAN BANKERS INSURANCE CO ATTN: SPECIALTY SERVICES DEPT. P.O. BOX 979220 MIAMI, FL 33197

Reference Copy

Premises Summary
(continued)

LOSS PAYEE: CIT TECHNOLOGY FINANCING SV
C/O ABIC - SPECIALTY SERVICES
P.O. BOX 979220, MIAMI, FL 33197-9220
SHARP COPIER- MODEL # ARM455N, S# 55024541

LOSS PAYEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

LOSS PAYEE: LEAF FUNDING, INC.
P. O. BOX 979127
MIAMI, FL 33197-9127
RE: LEASED COPIER VALUED AT \$10,500

PREMISES# 2 68424 JAMES ST
MANDEVILLE, LOUISIANA 70471
PARISH OF ST. TAMMANY

MORTGAGEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

LOSS PAYEE: PITNEY BOWES
P.O. BOX 5590
SHELTON, CT 06484

LOSS PAYEE: AMERICAN BANKERS INSURANCE CO
ATTN: SPECIALTY SERVICES DEPT.
P.O. BOX 979220
MIAMI, FL 33197

LOSS PAYEE: CIT TECHNOLOGY FINANCING SV
C/O ABIC - SPECIALTY SERVICES
P.O. BOX 979220, MIAMI, FL 33197-9220
SHARP COPIER -MODEL # ARM455N, S# 55024541

LOSS PAYEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

PREMISES# 3 68468 JAMES ST
MANDEVILLE, LOUISIANA 70471
PARISH OF ST. TAMMANY

MORTGAGEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

Reference Copy

Property Insurance

Declarations

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Premises Summary (continued)

LOSS PAYEE:	PITNEY BOWES P.O. BOX 5590 SHELTON, CT 06484
LOSS PAYEE:	AMERICAN BANKERS INSURANCE CO ATTN: SPECIALTY SERVICES DEPT. P.O. BOX 979220 MIAMI, FL 33197
LOSS PAYEE:	CIT TECHNOLOGY FINANCING SV C/O ABIC - SPECIALTY SERVICES P.O. BOX 979220, MIAMI, FL 33197-9220 SHARP COPIER - MODEL # ARM455N, S# 55024541
LOSS PAYEE:	J. P. MORGAN CHASE BANK NA COMMERCIAL BANKING, 28TH FLOOR MAIL CODE: LA3-5269 P. O. BOX 60279, NEW ORLEANS, LA 70160

PREMISES # 4 2008 CLAIBORNE AVE
SHREVEPORT, LOUISIANA 71103
PARISH OF CADDO

MORTGAGEE:	J. P. MORGAN CHASE BANK NA COMMERCIAL BANKING, 28TH FLOOR MAIL CODE: LA3-5269 P. O. BOX 60279, NEW ORLEANS, LA 70160
LOSS PAYEE:	PITNEY BOWES P.O. BOX 5590 SHELTON, CT 06484
LOSS PAYEE:	AMERICAN BANKERS INSURANCE CO ATTN: SPECIALTY SERVICES DEPT. P.O. BOX 979220 MIAMI, FL 33197
LOSS PAYEE:	CIT TECHNOLOGY FINANCING SV C/O ABIC - SPECIALTY SERVICES P.O. BOX 979220, MIAMI, FL 33197-9220 SHARP COPIER - MODEL # ARM455N, S# 55024541

Reference Copy

Premises Summary
(continued)

LOSS PAYEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

PREMISES# 5 2004 CLAIBORNE AVE
SHREVEPORT, LOUISIANA 71103
PARISH OF CADDO

MORTGAGEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

LOSS PAYEE: PITNEY BOWES
P.O. BOX 5590
SHELTON, CT 06484

LOSS PAYEE: AMERICAN BANKERS INSURANCE CO
ATTN: SPECIALTY SERVICES DEPT.
P.O. BOX 979220
MIAMI, FL 33197

LOSS PAYEE: CIT TECHNOLOGY FINANCING SV
C/O ABIC - SPECIALTY SERVICES
P.O. BOX 979220, MIAMI, FL 33197-9220
SHARP COPIER-MODEL# ARM455N, S# 55024541

LOSS PAYEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

PREMISES# 6 225 N COMMON ST
SHREVEPORT, LOUISIANA 71101
PARISH OF CADDO

MORTGAGEE: J. P. MORGAN CHASE BANK NA
COMMERCIAL BANKING, 28TH FLOOR
MAIL CODE: LA3-5269
P. O. BOX 60279, NEW ORLEANS, LA 70160

LOSS PAYEE: PITNEY BOWES
P.O. BOX 5590
SHELTON, CT 06484

LOSS PAYEE: AMERICAN BANKERS INSURANCE CO
ATTN: SPECIALTY SERVICES DEPT.
P.O. BOX 979220
MIAMI, FL 33197

Reference Copy

Property Insurance

Declarations

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Premises Summary *(continued)*

LOSS PAYEE:	CIT TECHNOLOGY FINANCING SV C/O ABIC - SPECIALTY SERVICES P.O. BOX 979220, MIAMI, FL 33197-9220 SHARP COPIER-MODEL# ARM455N, S# 55024541
LOSS PAYEE:	J. P. MORGAN CHASE BANK NA COMMERCIAL BANKING, 28TH FLOOR MAIL CODE: LA3-5269 P. O. BOX 60279, NEW ORLEANS, LA 70160

Reference Copy

Premises Summary
(continued)

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Property Insurance

Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

Issued by the stock insurance company indicated below, herein called the company.

**FEDERAL INSURANCE
COMPANY**

Producer No. 0024843

Incorporated under the laws of
INDIANA

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Deductible \$ 5,000

The deductible shown above applies to all coverages, except Business Income and Extra Expense, and all premises shown in this and all other property declarations, unless a specific deductible is shown following a coverage.

The following displays the coverages provided at the premises stated below:

Premises Coverages

Premises Coverages - Blanket Limits

BLANKET LIMIT OF INSURANCE	\$ 6,000,000
WAITING PERIOD	24 HOURS
EXTENDED PERIOD NUMBER OF DAYS	UNLIMITED

COVERAGES

BUSINESS INCOME WITH EXTRA EXPENSE AND
RESEARCH AND DEVELOPMENT INCOME

Reference Copy

Premises Coverages*(continued)*

PREMISES #1 4099 HIGHWAY 190
 COVINGTON, LOUISIANA 70433
 PARISH OF ST. TAMMANY

PREMISES #2 68424 JAMES ST
 MANDEVILLE, LOUISIANA 70471
 PARISH OF ST. TAMMANY

PREMISES #3 68468 JAMES ST
 MANDEVILLE, LOUISIANA 70471
 PARISH OF ST. TAMMANY

BLANKET LIMIT OF INSURANCE	\$ 14,000,000
WAITING PERIOD	24 HOURS
EXTENDED PERIOD NUMBER OF DAYS	UNLIMITED

COVERAGES

BUSINESS INCOME WITH EXTRA EXPENSE AND
RESEARCH AND DEVELOPMENT INCOME

PREMISES #4 2008 CLAIBORNE AVE
 SHREVEPORT, LOUISIANA 71103
 PARISH OF CADDO

PREMISES #7 2001 KINGS HWY
 SHREVEPORT, LOUISIANA 71103
 PARISH OF CADDO

Premises Coverages - Specific Limits

PREMISES #1 4099 HIGHWAY 190
 COVINGTON, LOUISIANA 70433
 PARISH OF ST. TAMMANY

COVERAGES**BUILDING**

LIMIT OF INSURANCE	\$ 8,500,000
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PERSONAL PROPERTY

LIMIT OF INSURANCE	\$ 300,000
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EDP PROPERTY

LIMIT OF INSURANCE	\$ 3,300,000
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PREMISES #2 68424 JAMES ST
 MANDEVILLE, LOUISIANA 70471
 PARISH OF ST. TAMMANY

Reference Copy

Property Insurance

Declarations

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Premises Coverages

(continued)

COVERAGES

BUILDING

LIMIT OF INSURANCE \$ 800,000

PERSONAL PROPERTY

LIMIT OF INSURANCE \$ 200,000

STOCK

LIMIT OF INSURANCE \$ 1,000,000

EDP PROPERTY

LIMIT OF INSURANCE \$ 150,000

PREMISES #3

68468 JAMES ST
MANDEVILLE, LOUISIANA 70471
PARISH OF ST. TAMMANY

COVERAGES

PERSONAL PROPERTY

LIMIT OF INSURANCE \$ 105,000

PREMISES #4

2008 CLAIBORNE AVE
SHREVEPORT, LOUISIANA 71103
PARISH OF CADDO

COVERAGES

BUILDING

LIMIT OF INSURANCE \$ 5,500,000

PERSONAL PROPERTY

LIMIT OF INSURANCE \$ 5,200,000

STOCK

LIMIT OF INSURANCE \$ 12,000,000

EDP PROPERTY

LIMIT OF INSURANCE \$ 75,000

Reference Copy

Premises Coverages*(continued)***RESEARCH AND DEVELOPMENT PROPERTY**

LIMIT OF INSURANCE

\$ 100,000

PREMISES #52004 CLAIBORNE AVE
SHREVEPORT, LOUISIANA 71103
PARISH OF CADDO**COVERAGES****PERSONAL PROPERTY**

LIMIT OF INSURANCE

\$ 15,000

PREMISES #6225 N COMMON ST
SHREVEPORT, LOUISIANA 71101
PARISH OF CADDO**COVERAGES****PERSONAL PROPERTY**

LIMIT OF INSURANCE

\$ 7,500

PREMISES #72001 KINGS HWY
SHREVEPORT, LOUISIANA 71103
PARISH OF CADDO**COVERAGES****BUILDING**

LIMIT OF INSURANCE

\$ 14,850,000

PERSONAL PROPERTY

LIMIT OF INSURANCE

\$ 1,800,000

EDP PROPERTY

LIMIT OF INSURANCE

\$ 175,000

RESEARCH AND DEVELOPMENT PROPERTY

LIMIT OF INSURANCE

\$ 600,000

PREMISES #84580 S MENDENHALL RD
MEMPHIS, TENNESSEE 38141
COUNTY OF SHELBY**COVERAGES****STOCK**

LIMIT OF INSURANCE

\$ 2,000,000

Reference Copy

Property Insurance

Declarations

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Premises Coverages *(continued)*

Additional Coverages

EXHIBITION, FAIR OR TRADE SHOW

PERSONAL PROPERTY

LIMIT OF INSURANCE

\$ 100,000

IN TRANSIT

PERSONAL PROPERTY

LIMIT OF INSURANCE

\$ 1,000,000

Reference Copy

Property Insurance

Supplementary Declarations – Property

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No. 0024843

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

*Incorporated under the laws of
INDIANA*

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Covered Premises \$500,000 Blanket Limit Of Insurance

The Blanket Limit Of Insurance shown above applies only for the Premises Coverages shown below. Unless otherwise stated, this Blanket Limit Of Insurance applies separately at each covered premises shown in the Declarations. This Blanket Limit Of Insurance applies in excess of the applicable deductible shown in the Declarations.

At time of loss, the first Named Insured may elect to apportion this Blanket Limit Of Insurance to one or any combination of the Premises Coverages shown, but under no circumstance will the aggregate apportionment be permitted to exceed the Blanket Limit Of Insurance shown above at any one covered premises. For the purpose of the application of this \$500,000 Blanket Limit Of Insurance, all property at one premises shall constitute a single premises.

Separate specific Limits Of Insurance may be purchased for each of these Premises Coverages. If purchased, these Limits Of Insurance and any applicable deductible will be shown in the Declarations with the Premises Coverages. If no deductible is shown in the Declarations with the Premises Coverages, then the Property Deductible will apply. When a specific Limit Of Insurance is purchased for any of these Premises Coverages, such specific Limit Of Insurance will apply in addition to whatever amount the first Named Insured apportions to that coverage at time of loss as provided in the previous paragraphs.

Reference Copy

Coverages Included In The Blanket Limit Of Insurance:

ACCOUNTS RECEIVABLE	LEASEHOLD INTEREST – UNDAMAGED
ELECTRONIC DATA PROCESSING PROPERTY	TENANT'S IMPROVEMENTS & BETTERMENTS
FINE ARTS	NON – OWNED DETACHED TRAILERS
LEASEHOLD INTEREST –	OUTDOOR TREES, SHRUBS, PLANTS OR LAWNS
BONUS PAYMENT,	PAIR AND SET
PREPAID RENT,	PERSONAL PROPERTY OF EMPLOYEES
SUBLEASE PROFIT,	PUBLIC SAFETY SERVICE CHARGES
TENANTS' LEASE INTEREST	RESEARCH AND DEVELOPMENT PROPERTY
	VALUABLE PAPERS

Property Coverages

The Limits Of Insurance shown below:

- are provided for the Premises Coverages and Additional Coverages shown at no additional cost to you; and
- apply separately at each premises shown in the Declarations, except for the following Additional Coverages which apply anywhere within the Coverage Territory:
 - Any Other Location;
 - Deferred Payments;
 - Exhibition, Fair Or Trade Show;
 - Impairment Of Computer Services – Malicious Programming;
 - Installation;
 - In Transit; or
 - Mobile Communication Property (greater than 1,000 feet from a premises shown in the Declarations); and
- do not apply when the applicable coverage has been excluded as shown in the Declarations or by endorsement to this policy.

The Limits Of Insurance for:

- Debris Removal; and
- Preparation Of Loss Fees,

apply separately at each premises shown in the Declarations or anywhere within the Coverage Territory.

You may purchase increased Limits Of Insurance, and we will charge you an additional premium. If you purchase increased Limits Of Insurance for any of these coverages, the Limits Of Insurance shown in the Declarations will reflect your total Limit Of Insurance, including the Limits Of Insurance shown below. Any applicable deductible will be shown in the Declarations with the coverage. If no deductible is shown in the Declarations with the coverage, then the Property Deductible will apply. Extra Expense Coverage is not subject to any deductible.

Extra expense is subject to the:

- Business Income With Extra Expense contract and Business Income With Extra Expense and Research And Development Income Contract if purchased; or
- Extra Expense contract, if the Business Income With Extra Expense contract or Business Income With Extra Expense and Research And Development Income contract is not purchased.

Reference Copy

Supplementary Declarations – Property

Policy Number 3579-64-71 DAL

Reference Copy

Property Coverages**Limit Of Insurance****EXHIBITION, FAIR OR TRADE SHOW**

ELECTRONIC DATA PROCESSING PROPERTY	\$ 25,000
FINE ARTS	\$ 25,000
PERSONAL PROPERTY	\$ 25,000

EXTRA EXPENSE	\$ 250,000
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IMPAIRMENT OF COMPUTER SERVICES – MALICIOUS PROGRAMMING

INSIDE ATTACK	\$ 100,000
OUTSIDE ATTACK – PER OCCURRENCE	\$ 10,000
OUTSIDE ATTACK – ANNUAL AGGREGATE	\$ 50,000

INSTALLATION

ANY JOB SITE	\$ 50,000
IN TRANSIT	\$ 50,000

IN TRANSIT

ACCOUNTS RECEIVABLE	\$ 25,000
BUILDING COMPONENTS	\$ 25,000
ELECTRONIC DATA PROCESSING PROPERTY	\$ 50,000
FINE ARTS	\$ 25,000
PERSONAL PROPERTY	\$ 25,000
SCIENTIFIC ANIMALS	\$ 10,000
VALUABLE PAPERS	\$ 25,000

LOSS OF MASTER KEY	\$ 25,000
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LOSS PREVENTION EXPENSES	\$ 15,000
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MOBILE COMMUNICATION PROPERTY (GREATER THAN 1,000 FEET FROM A PREMISES SHOWN IN THE DECLARATIONS)	\$ 10,000
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MONEY & SECURITIES

ON PREMISES	\$ 25,000
OFF PREMISES	\$ 15,000

PROCESSING WATER	\$ 25,000
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PREPARATION OF LOSS FEES	\$ 25,000
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RADIOACTIVE CONTAMINATION

AGGREGATE	\$ 250,000
PER OCCURRENCE	\$ 250,000

SCIENTIFIC ANIMALS	\$ 100,000
---------------------------	-------------------

Reference Copy

Property Insurance

Supplementary Declarations – Property

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

The following displays the Coverages and the applicable Limits Of Insurance for:

Newly Acquired Premises Or Newly Acquired Or Constructed Property

Limit Of Insurance

<i>BUILDING</i>	\$ 2,000,000
<i>PERSONAL PROPERTY</i>	\$ 1,000,000
<i>CHANGE IN CONTROLLED ENVIRONMENT – PERISHABLE PROPERTY</i>	\$ 250,000
<i>CONTAMINATION</i>	\$ 250,000
<i>SCIENTIFIC ANIMALS</i>	\$ 25,000
<i>PERSONAL PROPERTY AT EXISTING PREMISES</i>	\$ 100,000
<i>ELECTRONIC DATA PROCESSING EQUIPMENT</i>	\$ 1,000,000
<i>ELECTRONIC DATA</i>	\$ 250,000
<i>COMMUNICATION PROPERTY</i>	\$ 250,000
<i>FINE ARTS</i>	\$ 25,000

You may purchase increased Limits Of Insurance for any of the Newly Acquired Premises or Newly Acquired Or Constructed Property Limits Of Insurance shown above and we will charge you an additional premium. If you purchase such increased Limits Of Insurance, the Limits Of Insurance shown in the Declarations will reflect your total limit, including the Limits Of Insurance shown above.

Authorized Representative



Reference Copy

Property Insurance

Supplementary Declarations – Business Income

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

Issued by the stock insurance company indicated below, herein called the company.

**FEDERAL INSURANCE
COMPANY**

Producer No. 0024843

Incorporated under the laws of
INDIANA

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Additional Business Income Coverages

The Limits Of Insurance shown below are provided for the Premises Coverages and Additional Coverages shown at no additional cost to you. You may purchase increased Limits Of Insurance, and we will charge you an additional premium. If you purchase increased Limits Of Insurance for any of these coverages, the Limits Of Insurance shown in the Declarations will reflect your total Limit Of Insurance, including the Limits Of Insurance shown below.

Except for Dependent Business Premises, Any Other Location, Exhibition, Fair or Trade Show and Preparation Of Loss Fees, the Limits Of Insurance shown below apply at each premises for which you have purchased a Limit Of Insurance for Business Income as shown in the Declarations.

The Limit Of Insurance for Dependent Business Premises applies:

- at each of your premises for which you have purchased a Limit Of Insurance for Business Income as shown in the Declarations;
- separately to each **occurrence**, regardless of the number of **dependent business premises** that sustain covered direct physical loss or damage; and
- only if such direct physical loss or damage causes a business income loss (or extra expense loss if Business Income With Extra Expense is purchased) at your premises for which you have purchased a Limit Of Insurance for Business Income as shown in the Declarations,

provided that actual loss for such premises is the direct result of direct physical loss or damage, by a **covered peril**, to the **dependent business premises**.

Reference Copy

If you increase the \$100,000 Limit of Insurance for Dependent Business Premises as provided for in this Supplementary Declarations, such increased limit of insurance:

- will be shown in the Declarations and will reflect your total Dependent Business Premises Limit of Insurance at the applicable **dependent business premises** shown in the Declarations; and
- is the most we will pay in any **occurrence** at all premises for which a Limit Of Insurance for Business Income is shown in the Declarations.

The Limit Of Insurance for Any Other Location or Exhibition, Fair or Trade Show applies within the Coverage Territory of this policy.

The Limit Of Insurance for Preparation Of Loss Fees applies at each premises shown in the Declarations or anywhere within the Coverage Territory.

Business Income Coverages

Limit Of Insurance

ANY OTHER LOCATION \$ 25,000

CHANGE IN CONTROLLED ENVIRONMENT –

Limit included under Change in Controlled Environment Coverage on the Supplementary Declarations – Property

CONTAMINATION –

Limit included under Contamination Coverage on the Supplementary Declarations – Property

RADIOACTIVE CONTAMINATION –

Limit included under Radioactive Contamination Coverage on the Supplementary Declarations – Property

CONTRACTUAL PENALTIES \$ 10,000

DEPENDENT BUSINESS PREMISES \$ 100,000

EXHIBITION, FAIR OR TRADE SHOW \$ 10,000

NEWLY ACQUIRED RESEARCH AND DEVELOPMENT INCOME

ANY ONE WRITTEN AGREEMENT \$ 100,000

FOR ALL WRITTEN AGREEMENTS \$ 500,000

PREPARATION OF LOSS FEES \$ 10,000

INGRESS & EGRESS \$ 25,000

LOSS OF UTILITIES \$ 15,000

CONTAMINANT CLEAN-UP OR REMOVAL \$ 10,000

CONDEMNATION OF UNDAMAGED STOCK \$ 50,000

Reference Copy

Property Insurance

Supplementary Declarations – Business Income

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

The following displays the coverage and the applicable Limit Of Insurance provided for each newly acquired premises:

Newly Acquired Premises

Limit Of Insurance

BUSINESS INCOME

\$ 100,000

Authorized Representative



Reference Copy

International Property Insurance*Property/Business Income Global Extension***Table Of Contents**

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Property/Business Income Global Extension

All of the Property/Business Income Provisions contained in the other forms that comprise this policy apply, unless they have been deleted or modified by this Extension.

The deletions, modifications or additions contained in this Global Extension apply only as provided in the Additional Condition titled Applicability Of This Extension.

Application Of Coverages

The coverages provided in the Property/Business Income contracts apply pursuant to their terms and conditions, unless:

- A. **underlying insurance**, by its terms and conditions, applies or would have applied but for the exhaustion of its limits of insurance by payments for direct physical loss or damage, then the coverages apply as set forth in the Excess Provision;
- B. **controlled admitted insurance** (other than **required specific insurance**), by its terms and conditions, applies to direct physical loss or damage, but is not collectible, then the coverages apply as set forth in the Collectibility Provision; or
- C. **underlying insurance**, by its terms and conditions, does not apply to direct physical loss or damage for reasons other than:
 1. collectibility; or
 2. the exhaustion of its limits of insurance;and you have maintained all **required specific insurance**, then the coverages apply as set forth in the Difference In Terms/Conditions Provision.

Collectibility Provision

Subject to all the terms and conditions of this insurance, this insurance applies to loss or damage to the extent that such loss or damage is payable, but not collectible under the terms and conditions of **controlled admitted insurance**. This Collectibility Provision applies only to the extent that loss or damage is not collectible under **controlled admitted insurance** because the insurer of such **controlled admitted insurance**:

- A. is **financially impaired**; or
- B. has not paid within 90 days.

This provision does not apply to:

- loss or damage to the extent that **required specific insurance**, by its terms and conditions, applies regardless of whether or not such insurance is available or collectible; or
- any claim by any conservator, liquidator or statutory successor of any insurer of **controlled admitted insurance**.

As a condition precedent to the applicability of this Collectibility Provision, you must:

- give us immediate written notice as soon as you become aware of any **financial impairment** of any insurer of **controlled admitted insurance**;
- pursue all rights under **controlled admitted insurance** from the insurer;
- comply with the Insured's Duties In The Event Of Loss Or Damage of this contract and submit a sworn proof of loss to us, even though you or any other insured may have made a similar statement to the applicable insurer; and
- cooperate with us to obtain, for our benefit, all of your rights and the rights of the insurer of **controlled admitted insurance** (pursuant to the terms and conditions of such **controlled admitted insurance**) and to any and all recoveries or indemnifications from governmental or state entities, including guarantee funds.

Reference Copy

Application Of Coverages

Collectibility Provision (continued)

You must promptly reimburse us for any payment that we make under this provision, if payment is ultimately made available under such **controlled admitted** insurance. You will make the reimbursement to us unless we authorize otherwise.

Difference In Terms/Conditions Provision

Subject to all the terms and conditions of this insurance, this insurance applies to loss or damage including **coinsurance deficiency** and **currency devaluation** to the extent that **underlying insurance**, by its terms and conditions, does not apply.

This provision does not apply to any part of loss or damage to which **underlying insurance**, by its terms and conditions, would apply, regardless of whether or not:

- **underlying insurance** is available or collectible; or
- the applicable limits of insurance of **underlying insurance** have been exhausted.

Excess Provision

Subject to all the terms and conditions of this insurance, this insurance applies to that part of loss or damage which exceeds the applicable limit of insurance of:

- **controlled admitted** insurance, including any deductible, retention or self-insurance applicable to such **controlled admitted** insurance, but only to the extent that the Limits Of Insurance of this insurance have not been used up by payments made under such **controlled admitted** insurance; or
- **underlying insurance** (other than **controlled admitted** insurance), including any deductible, retention or self-insurance applicable to such **underlying insurance**.

If the applicable limits of insurance of **underlying insurance** are:

- reduced by payment for direct physical loss or damage, this insurance will drop down to apply in excess of the remaining amount of the applicable limits of insurance of **underlying insurance**; or
- exhausted by payment for direct physical loss or damage, this insurance will apply in place of such **underlying insurance**.

This provision does not apply to any part of:

- A. loss or damage within the limits of insurance of **underlying insurance**, regardless of whether or not such **underlying insurance** is available or collectible; or
 - B. loss or damage, unless **underlying insurance** would have applied to such loss or damage, but for the exhaustion of the limits of insurance of such **underlying insurance** by payment for direct physical loss or damage.
-

Reference Copy

Property/Business Income Global Extension

Extension Of Coverage

The following Extension Of Coverage is included for the coverages shown below, if such coverages are otherwise provided in this policy, subject to the applicable Limits Of Insurance:

Military Authority

We will pay for the actual:

- **business income** loss;
- **extra expense**;
- **rental income**; and
- **soft costs**,

you incur due to the actual impairment of your **operations**, directly caused by the prohibition of access to:

- your premises;
- a **dependent business premises**; or
- **construction works**,

by a military authority.

This prohibition of access by a military authority must be the direct result of direct physical loss or damage to property away from such premises, such **dependent business premises** or such **construction works** by a **covered peril**, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises or **dependant business premises** or such **construction works**, whichever is greater.

The most we will pay for Military Authority is the applicable Limit Of Insurance shown in the Declarations.

The coverage for:

A. **business income** and **rental income** will begin:

1. after the applicable waiting period shown in the Declarations for Business Income expires; or
2. 24 normal business hours following the time the military authority prohibits access, whichever is longer; and

the coverage will apply for a period of:

- up to 30 consecutive days after coverage begins; or
- when your **business income** or **rental income** loss ends,

whichever occurs first; and

B. **extra expense** will begin immediately after the time the military authority prohibits access and will end:

1. 30 consecutive days after this coverage begins; or

Reference Copy

Extension Of Coverage

Military Authority (continued)

2. whenever your **business income** or **rental income** coverage ends, whichever is later.

We will pay for direct physical loss or damage to insured **contractors' equipment** caused by or resulting from actions by a military authority in an attempt to avoid further loss or damage caused by or resulting from a peril not otherwise excluded.

This coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Additional Coverages

The following Additional Coverages are added:

Neighbors And Tenants Liability

We will pay for the loss or damage you become legally obligated to pay by reason of liability imposed by the articles of the Napoleonic code or similar civil or commercial codes because of damage for which you are liable:

- as a tenant;
- when the consequences of such damage spread from your premises to the premises of neighbors and co-tenants; or
- as landlord, as a result of construction defects or lack of maintenance,

not to exceed the applicable Limit Of Insurance for Neighbors And Tenants Liability shown in the Declarations.

Only as respects Neighbors And Tenants Liability and except for the Limits Of Insurance:

- if you have any other neighbors and tenants liability insurance which is **admitted**, then the terms of that insurance are made part of this insurance; or
- if you do not have any other neighbors and tenants liability insurance or you have other neighbors and tenants liability insurance which is **non-admitted**, then the terms of the broad-form neighbors and tenants liability insurance which is **admitted** in the jurisdiction where the loss or damage occurs, are made part of this insurance.

The applicable Limit Of Insurance for Neighbors And Tenants Liability insurance shown in the Declarations of this policy will continue to apply exclusively, even if the compulsory limits of insurance for neighbors and tenants liability insurance would be greater than those available under this insurance.

Tax Liability

In the event that a loss covered under this policy cannot be paid in the country where the loss has occurred, we shall be liable for an additional loss payment should the effective local tax rate where the loss occurs be less than the effective tax rate in the country where the loss payments are to be made. Such additional loss payment shall be computed as follows:

1. Determine the effective tax rate percentage in the country where the loss occurred and subtract it from 100%;
2. Determine the effective tax rate percentage in the country where the loss payment is made and subtract it from 100%;
3. Divide the result determined in 1. above by the result determined in 2. above;

Reference Copy

Property/Business Income Global Extension

Additional Coverages

Tax Liability (continued)

4. Multiply the result determined in 3. above by the amount of loss otherwise payable under this policy; and
5. Subtract the amount of loss otherwise payable under this policy from the result determined in 4. above.

Should the effective local tax rate where the loss occurs be equal to or greater than the effective tax rate in the country where loss payments are to be received, then the formula stated above shall not apply. The tax rates applicable shall be the respective corporate tax rates in effect for the fiscal year when the loss occurred.

The most we will pay for Tax Liability Coverage is the applicable Limit Of Insurance for Tax Liability shown in the Declarations.

Additional Exclusions

The following Additional Exclusions apply to all coverage forms that comprise the property section of this policy.

Earthquake (Japan)

This insurance does not apply to loss or damage caused by or resulting from earthquake that occurs in Japan, including its territorial waters, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Earthquake (Japan) exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**, except for **leakage from fire protection equipment**.

Loss Advantage

This insurance does not apply to loss or damage sustained by one insured to the advantage of any other insured.

Prohibited Or Illegal Goods

This insurance does not apply to loss or damage to contraband or other property in the course of illegal transportation or trade.

Terrorism (Other Than United Kingdom)

This insurance does not apply to loss or damage caused by or resulting from any actual or attempted malicious or violent act by any person, group, organization or government (whether de jure or de facto):

- A. declared by any governmental authority (whether de jure or de facto) to be or to involve terrorism or terroristic conduct; or
- B. which has the effect of:
 1. influencing, intimidating or coercing any government (whether de jure or de facto);
 2. causing fear among a general population to advance an ideology; or
 3. disrupting any segment of any economy; or

Reference Copy

Additional Exclusions

Terrorism (Other Than United Kingdom) (continued)

- C. in any way designed to:
1. retaliate against a government (whether de jure or de facto);
 2. influence, intimidate or coerce any government (whether de jure or de facto);
 3. cause fear among a general population to advance an ideology; or
 4. disrupt any segment of any economy,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Terrorism (Other Than United Kingdom) exclusion does not apply to loss or damage that occurs in the United Kingdom.

Terrorism – United Kingdom

This insurance does not apply to loss or damage caused by or resulting from **terrorism** in the United Kingdom (including terrorism insured by the Pool Reinsurance Company Limited) committed by any person or persons acting individually or on behalf of or in connection with any organization, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Limits Of Insurance

Under Limits Of Insurance, the following is added:

Any payments for loss or damage made under this insurance or any **controlled admitted** insurance will reduce the amount of the applicable Limit Of Insurance of this insurance.

Loss Payment Limitation

Under Loss Payment Limitation, the following is added:

We will deduct from the total **business income** and **extra expense** loss any amount we paid you under **personal property** insurance for the difference between replacement cost and your net selling price on **merchandise**.

Conditions

The following Conditions are deleted:

- Conformance;
 - Mortgage Holder;
 - Lenders/Loss Payee;
 - Other Insurance; and
 - Liberalization.
-

Reference Copy

Property/Business Income Global Extension

Amended Conditions

The following Amended Conditions are added:

Appraisal

If you and we do not agree on the amount of loss or damage, either party may make a written demand for an appraisal of loss or damage. When this occurs, you will select and pay a competent and impartial appraiser; we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either appraiser may request that a judge of a court having jurisdiction make the selection of an umpire. However, if such loss or damage occurs in a **non-admitted** jurisdiction, the court having jurisdiction must be a court in the state or province where you maintain your headquarters in the United States, Canada or Puerto Rico.

Each appraiser will state the amount of net income and operating expense, the value of the **property** and the amount of the loss or damage. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will be binding.

We will each pay the expenses of the appraiser we select and share equally the expenses of the umpire.

When we make any payment for any expenses of the appraiser we select and our share of the expenses of the umpire, we will fulfill our obligation as set forth in the Preparation Of Loss Fees coverage.

Even though we may submit to an appraisal, we will retain our right to deny the claim.

Coverage Territory

The Coverage Territory is worldwide, except it does not include any export, import or domestic waterborne shipment by any vessel making:

- a coastal passage within territorial waters of a country; or
- an international water passage,

except any shipments in any over-the-road conveyance by ferry.

First Named Insured

The person or organization first named in the Declarations is primarily responsible for payment of all premiums. The first named insured will act on behalf of all other named insureds for the giving and receiving of notice of cancellation or nonrenewal and the receiving of any return premiums that become payable under this policy.

All loss adjustment losses and other payments will, at our option, be coordinated and adjusted with and payable to the first named insured, without regard to the first named insured's obligation to others, including, but not limited to other insureds. We will not be responsible for the proper application of any payment we make to the first named insured. If we make payment to any insured other than the first named insured, such payment will be treated as though made to the first named insured.

Inspections And Surveys

We may:

- make inspections and surveys at any time;
- give you reports on the conditions we find; and
- recommend changes.

Reference Copy

Amended Conditions

Inspections And Surveys (continued)

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any other insurer that provides **admitted** insurance at our request, and to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us.

Insured's Duties In The Event Of Loss Or Damage

You must see to it that the following are done in the event of loss or damage:

- Notify us, or one of our authorized representatives and any insurer of **underlying insurance**, as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income or Extra Expense Insurance, notify us by telephone, telegraph or facsimile at our expense.
- Notify the police if a law may have been violated.
- Take every reasonable step to protect the covered property from further loss or damage, and keep a record of your expenses necessary to protect such covered property for consideration in the settlement of the claim. This will not increase any Limit Of Insurance. However, we will not pay for any subsequent loss or damage resulting from a peril that is not a covered peril. Also, if feasible, set the lost or damaged property aside and in the best possible order for examination.
- If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- File with us, or with our authorized representative, sworn proof of loss within 90 days after the date of loss or damage.
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.
- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, permit us to inspect the property and examine your books and records.
- Permit us to take samples of the damaged and undamaged property for inspection, testing and analysis, and permit us to make copies of your books and records.
- Permit us to examine any insured under oath, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Failure of an agent or one of your employees, other than an officer, to notify us of any loss or damage that such agent or employee knows about will not affect the insurance afforded you by this policy.

Reference Copy

Property/Business Income Global Extension

Additional Conditions The following Additional Conditions are added:

Advances Or Reimbursements For covered loss or damage that arises in a **non-admitted jurisdiction**, we will reimburse and, at our option, advance funds to you for our portion of the costs of investigation (including appraisals of property), defense or settlement. We will only make such advances or reimbursements in a jurisdiction that is mutually acceptable.

Applicability Of This Extension The Deletions, Modifications or Additions contained in this Global Extension apply only to the insurance afforded by this Extension and only if the loss or damage occurs outside of the contiguous United States of America, Canada, the states of Hawaii and Alaska, Puerto Rico and the territories or possessions of the United States of America or Canada.

Currency Provision The Limits Of Insurance and premiums shown in this policy are either United States of America or Canadian currency, contingent upon country of issuance, unless otherwise stated in the Declarations.

Loss or damage will be paid in the currency shown in Declarations for the applicable Limits Of Insurance.

At our sole option and upon your request, we will make payment for loss or damage in the currency requested. In doing so we will convert the value of the covered loss or damage to the currency requested at the free rate of exchange as published in The Wall Street Journal in effect:

- on the date of the covered loss or damage for covered loss or damage to other than **money** or **securities**; or
- the date of the covered loss or damage to **money** or **securities** is discovered.

Business Income or Extra Expense will be converted at the rate of exchange as published in the Wall Street Journal based on the average of the daily rate of exchange quoted for the period of loss.

Upon converting the currency, we will apply all other terms of this policy to determine the amount of our final loss obligation, but in no event we will pay more than the Limits Of Insurance shown in the Declarations.

Joint Duties In A Non-Admitted Jurisdiction For covered loss or damage that arises in a **non-admitted jurisdiction**, we will consult with you. You must:

- make such investigation, defense or settlement as we deem reasonable;
- accept a settlement from us for covered loss or damage; and
- effect payments to others that we approve.

We retain the right to assume control of any investigation, defense, settlement or recovery proceedings. You have the duty to cooperate with us in these proceedings.

Reference Copy

Additional Conditions

(continued)

Other Insurance

If you have any **other insurance** covering the same loss or damage as is insured against by this policy, we will only pay for the amount of loss or damage which is insured against by this policy in excess of the amount due from such **other insurance**, whether you can collect on such **other insurance** or not.

Additional Definitions

The following Definitions are added:

Admitted

Admitted means a contract of insurance that is issued by a State Fund or an insurer licensed or permitted by law to do business in the jurisdiction where the property or exposure to loss is located and issued to:

- you; or
- someone (other than you) covering your interests.

Admitted does not include any contract of insurance specifically obtained to apply in excess of any Limits Of Insurance shown in the Declarations of this policy.

Authorized Correspondent

Authorized correspondent means any privately controlled insurer, other than a member company of the Chubb Group of Insurance Companies, that we indicate is our correspondent, but only for each specific insurance transaction we authorize.

Coinsurance Deficiency

Coinsurance deficiency means any penalty resulting from the application of a coinsurance or average clause forming part of any locally procured insurance in force at the time of loss or damage.

If, after determination of the amount you claim under such other insurance, you are unable to collect payment for the loss or damage in full due to the operation of a coinsurance or average clause, this policy shall pay the difference between the amount recoverable under such other insurance and the total amount of loss or damage.

Coinsurance deficiency does not mean any penalty resulting from the application of any coinsurance or average clause when you have deliberately underinsured.

Compulsory Admitted

Compulsory admitted means any **admitted** insurance that is required to be in-force to satisfy the legal requirements of a given jurisdiction, except any such insurance for:

- A. loss of, or damage to, your property or property in your care, custody or control;
- B. loss of income as a consequence of A. above; or
- C. neighbors and tenants liability.

Controlled Admitted

Controlled admitted means any **admitted** insurance that:

- A. we or another member company of the Chubb Group of Insurance Companies issue to you;
- B. any **authorized correspondent** issues to you; or

Reference Copy

Property/Business Income Global Extension

Additional Definitions

Controlled Admitted (continued)

- C. any Government controlled insurer or State Fund issues to you, but only:
1. if the kind of insurance and jurisdiction in which it was issued are stated in the Nationalized Insurance Extension amendment; and
 2. that jurisdiction is anywhere:
 - a. privately controlled insurers are prevented by law from doing business; or
 - b. privately controlled insurers are prevented by law from offering the specific kind of insurance you purchase from a Government controlled insurer or State Fund.

Controlled admitted also includes **admitted** insurance issued to you that:

- we, another member company of the Chubb Group of Insurance Companies or any **authorized correspondent** provide as coinsurer;
- any privately controlled insurer (other than us, another member company of the Chubb Group of Insurance Companies or any **authorized correspondent**) provides as coinsurer with us, with another member company of the Chubb Group of Insurance Companies with any **authorized correspondent**; or
- any Government controlled insurer or State Fund provides as coinsurer with us, with another member company of the Chubb Group of Insurance Companies or with any **authorized correspondent**.

Currency Devaluation

Currency devaluation means any official government devaluation of the currency in which **underlying insurance** is written that results in your inability to collect payment for the loss or damage in full under such **underlying insurance** due to such currency devaluation.

In such event, this policy shall pay the difference between the amount recoverable under the **underlying insurance** and the total amount of loss or damage.

Financial Impairment

Financial impairment means a declaration of insolvency by a court of competent jurisdiction, including:

- the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate an organization; or
- an organization becoming a debtor in possession.

Financially Impaired

Financially impaired means declared or placed in:

- bankruptcy;
- conservation;
- liquidation;
- receivership; or

Reference Copy

Additional Definitions

Financially Impaired (continued)

- rehabilitation,
by a court or regulatory authority having jurisdiction.

Independently Contracted Admitted

Independently contracted admitted means any **admitted** insurance:

- issued by any privately controlled insurer, other than us, another member company of the Chubb Group of Insurance Companies or any **authorized correspondent**;
- issued by any Government controlled insurer or State Fund, except when such insurance is **controlled admitted** insurance; or
- that is not otherwise **controlled admitted** insurance.

Leakage From Fire Protection Equipment

Leakage from “fire protection equipment” means:

- water or other substance discharged from within any part of the “fire protection equipment” for the premises or for adjoining premises; or
- collapse of tanks forming a part of the “fire protection equipment” including the component parts or supports of those tanks.

“Fire protection equipment” means tanks, water mains, hydrants or valves and any other equipment or its component parts, whether used solely for fire protection or jointly for fire protection and for other purposes.

Non-admitted

Non-admitted means a contract of insurance that is issued by a State Fund or an insurer not licensed or permitted by law to do business in the jurisdiction where the property or exposure to loss is located and issued to:

- you or any other insured; or
- someone (other than you) covering your interests.

Non-Admitted Jurisdiction

Non-admitted jurisdiction means a jurisdiction where we are not licensed or permitted by law to issue insurance or are prevented by law or otherwise from investigating, defending or settling any loss or damage.

Other Insurance

Other insurance means any insurance, including any type of self-insurance or other mechanism, providing coverage that this policy also provides.

Other insurance does not include **underlying insurance** or insurance negotiated specifically to apply in excess of this insurance.

Required Specific Insurance

Required specific insurance means **underlying insurance** that is described in any Required Specific Insurance endorsement.

Reference Copy

Property/Business Income Global Extension

Additional Definitions

(continued)

Terrorism

Terrorism means the use of violence:

- directed toward the overthrow or influencing of any government, whether de jure or de facto; or
- for the purpose of putting the public in fear.

Underlying Insurance

Underlying insurance means:

- **controlled admitted** insurance;
- **compulsory admitted** insurance;
- **independently contracted admitted** insurance; or
- insurance that is **non-admitted**.

Reference Copy

Property Insurance**Impairment Of Computer Services —
Malicious Programming****Table Of Contents**

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Impairment Of Computer Services — Malicious Programming

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy and the Amended Definitions section of this contract.

Throughout this contract, the words, “you” and “your” refer to the Named Insured shown in the Declarations of this policy. The words “we”, “us” and “our” refer to the company providing this insurance.

Coverages

Impairment Of Computer Services - Inside Attack

We will pay for the actual:

- **electronic data recovery costs;**
- **business income** loss; and
- **extra expense,**

you incur due to the actual impairment of your **operations** during the **period of recovery of computer service**, not to exceed the applicable Limit Of Insurance for Impairment Of Computer Services - Inside Attack shown in the Declarations.

This actual impairment of **operations** must be caused by or result from actual loss to **electronic data** or a **system** due to **malicious programming** by an **insider**, unless an exclusion applies.

Impairment Of Computer Services - Outside Attack

We will pay for the actual:

- **electronic data recovery costs;**
- **business income** loss; and
- **extra expense,**

you incur due to the actual impairment of your **operations** during the **period of recovery of computer service**, not to exceed the applicable Limit Of Insurance for Impairment Of Computer Services - Outside Attack shown in the Declarations.

This actual impairment of **operations** must be caused by or result from actual loss to **electronic data** or a **system** due to **malicious programming** by an **outsider**, unless an exclusion applies.

Policy Exclusions

The following Policy Exclusions apply to all coverages provided in this contract.

Dishonesty

This insurance does not apply to loss caused by or resulting from fraudulent, dishonest or criminal acts or omissions committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to **malicious programming** by an **insider**.

Reference Copy

Policy Exclusions

(continued)

Governmental Or Military Action

This insurance does not apply to loss caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss, even if such other cause or event would otherwise be covered.

Nuclear Hazard

This insurance does not apply to loss caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss, even if such other cause or event would otherwise be covered.

Random Or Multiple Attack

This insurance does not apply to loss caused by or resulting from any **malicious programming** which:

- is not specifically directed at a **system**;
- is designed or intended to affect more than one computer system or network; or
- actually affects more than one computer system or network.

This Random Or Multiple Attack exclusion does not apply to **malicious programming** by an **outsider**.

War And Military Action

This insurance does not apply to loss caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss, even if such other cause or event would otherwise be covered.

Reference Copy

Impairment Of Computer Services — Malicious Programming

Limits Of Insurance

Impairment Of Computer Services - Insider

The most we will pay in any **occurrence** for the sum of **electronic data recovery costs, business income** loss and **extra expense** due to **malicious programming** by an **insider**, is the Limit Of Insurance for Impairment Of Computer Services - Inside Attack shown in the Declarations.

Impairment Of Computer Services - Outsider

The most we will pay in any **occurrence** for the sum of **electronic data recovery costs, business income** loss and **extra expense** due to **malicious programming** by an **outsider**, is the Limit Of Insurance for Impairment Of Computer Services - Outside Attack shown in the Declarations.

Subject to the Limit Of Insurance for Impairment Of Computer Services - Outside Attack, the most we will pay for the sum of all **electronic data recovery costs, business income** loss and **extra expense** due to **malicious programming** by an **outsider** that occurs during each separate 12-month policy period, is the Aggregate Limit Of Insurance for Impairment Of Computer Services - Outside Attack shown in the Declarations.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of **electronic data recovery costs** in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Determination

In making any loss determination under this contract, we may utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- status and feasibility reports; and
- budgeting and marketing records.

Business Income

The amount of **business income** loss will be determined based on the:

- net income of your business before the **malicious programming** occurred;
- the likely net income of your business if no **malicious programming** occurred, but not including any **business income** that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the covered loss on customers or on other businesses; and
- your continuing operating expenses, including your continuing normal payroll expenses, necessary to resume **operations** with the same quality of service that existed just before the **malicious programming**.

Reference Copy

Loss Determination

(continued)

Extra Expense

The amount of **extra expense** loss will be determined based on necessary expenses that:

- exceed your normal operating expenses that would have been incurred by **operations** during the **period of recovery of computer services**, if no **malicious programming** had occurred; and
- reduce the **business income** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains of any property bought for temporary use during the **period of recovery of computer services**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

Resumption Or Continuance Of Operations

We will reduce the amount of any **business income** loss payment to the extent you can resume or continue your **operations**, in whole or in part, by using any available **electronic data** or **system**, including the **electronic data** or **system** impacted by the **malicious programming**.

If you elect not to resume or continue **operations**:

- any loss determination for **business income** will be based on the length of time it would have taken to resume or continue **operations** with due diligence and dispatch; and
- we will not make any payment for **extra expense**.

Loss Payment Limitations

Contributing Physical Loss Or Damage

We will not pay for any **business income** loss or **extra expense** caused by or resulting from **malicious programming** if direct physical loss or damage:

- contributes concurrently to, or
- contributes in any sequence to,

such **business income** loss or **extra expense**.

Extortion

We will not pay that part of any **business income** loss or **extra expense** you incur to respond to extortion or other similar threat.

Loss Of Market

We will not pay for any loss that results from loss of market, loss of use or delay.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions are contained in the Additional Condition section of this contract.

Reference Copy

Impairment Of Computer Services — Malicious Programming

Additional Condition

System Security

If a **system** is protected by **security software**, you are required to maintain and, as necessary, upgrade (at your own cost) such software so that it provides a technologically credible level of security.

We will not pay for any loss caused by **malicious programming** if, prior to the **malicious programming**, you:

- knew of any defect or deficiency in the **security software** and failed to correct it;
- failed to maintain the **security software** in complete working order; or
- knew of any technologically credible upgrades to the **security software** that could have prevented the **malicious programming**, and failed to make them.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any definition that amends the definitions contained in the Property/Business Income Conditions And Definitions form are shown in the Amended Definition section of this contract.

Amended Definition

Extra Expense

Extra expense means necessary expenses you incur in an attempt to continue **operations**, over and above the expenses you would have normally incurred.

Reference Copy

Property Insurance

*Accounts Receivable, Fine Arts, Money And
Securities And Valuable Papers For Life Sciences*

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Accounts Receivable, Fine Arts, Money And Securities And Valuable Papers For Life Sciences

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words “you” and “your” refer to the Named Insured shown in the Declarations of this policy. The words “we,” “us” and “our” refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, the loss or damage must:

- be caused by or result from a peril not otherwise excluded; and
- occur at, or within 1,000 feet of, the premises shown in the Declarations.

Accounts Receivable

We will pay for the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Accounts Receivable shown in the Declarations.

Fine Arts

We will pay for direct physical loss or damage to **fine arts** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fine Arts shown in the Declarations.

Money And Securities – On Premises

We will pay for direct physical loss or damage to **money** or **securities** caused by or resulting from a peril not otherwise excluded **on premises**, not to exceed the applicable Limit Of Insurance for Money And Securities On Premises shown in the Declarations.

Public Safety Service Charges

We will pay the charges you:

- assume under any contract or agreement; or
- are required to pay by local ordinance,

in effect at the time of the direct physical loss or damage, if a fire department or other municipal agency charged with preserving public safety is called to save or protect your property from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Public Safety Service Charges shown in the Declarations.

Removal

We will pay for:

- the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records**; or
- direct physical loss or damage to **fine arts** or **valuable papers**,

while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

Reference Copy

Premises Coverages

Removal (continued)

if you must move the **accounts receivable records**, **fine arts** or **valuable papers** from such location to preserve such property from imminent loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit of Insurance for Accounts Receivable, Fine Arts, or Valuable Papers shown in the Declarations.

Valuable Papers

We will pay for direct physical loss or damage to **valuable papers** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Valuable Papers shown in the Declarations.

Additional Coverages

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for:

- the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** at unspecified premises caused by or resulting from a peril not otherwise excluded; or
- direct physical loss or damage to **fine arts** or **valuable papers** at unspecified premises caused by or resulting from a peril not otherwise excluded,

not to exceed the applicable Limit Of Insurance for Accounts Receivable, Fine Arts or Valuable Papers shown under Any Other Location in the Declarations.

Exhibition, Fair Or Trade Show

We will pay for direct physical loss or damage to **fine arts** at any exhibition, fair or trade show caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fine Arts shown under Exhibition, Fair Or Trade Show in the Declarations.

In Transit

We will pay for:

- the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** while **in transit** caused by or resulting from a peril not otherwise excluded; or
- direct physical loss or damage to **fine arts** or **valuable papers** while **in transit** caused by or resulting from a peril not otherwise excluded,

not to exceed the applicable Limit Of Insurance for Accounts Receivable, Fine Arts or Valuable Papers shown under In Transit in the Declarations.

Money And Securities – Off Premises

We will pay for direct physical loss or damage to **money** or **securities** caused by or resulting from a peril not otherwise excluded **off premises**, not to exceed the applicable Limit Of Insurance for Money And Securities Off Premises shown in the Declarations.

Reference Copy

Accounts Receivable, Fine Arts, Money And Securities And Valuable Papers For Life Sciences

Additional Coverages

(continued)

Newly Acquired Fine Arts We will pay for direct physical loss or damage to newly acquired **fine arts** at the premises shown in the Declarations or at newly acquired premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Fine Arts shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This Additional Coverage applies until the first of the following occurs:

- you report the value of the newly acquired **fine arts** at the premises shown in the Declarations or at the newly acquired premises to us and we add such **fine arts** or premises to this policy;
- 180 days pass from the date you acquire the **fine arts**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire:

- the **fine arts**; or
- the premises,

if we add such **fine arts** or premises to this policy.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses we require you to incur after covered direct physical loss or damage to:

- **accounts receivable records**;
- **fine arts**; or
- **valuable papers**,

to determine the extent of such loss or damage, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant or attorney; or
- of your subsidiaries or affiliates.

Debris Removal Coverage

The following Debris Removal Coverage applies.

Debris Removal

- A. We will pay for the costs you incur to remove debris of damaged **accounts receivable records**, **fine arts** or **valuable papers** caused by or resulting from a peril not otherwise excluded that occurs during the policy period.
- B. The most we will pay for debris removal is the lesser of:
 1. 25% of the covered direct physical loss or damage; or
 2. the remaining applicable Limit Of Insurance for Accounts Receivable, Fine Arts or Valuable Papers shown in the Declarations, after payment of the covered direct physical loss or damage.

Reference Copy

Debris Removal Coverage

Debris Removal (continued)

- C. If the amount in B. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance shown under Debris Removal in the Declarations.
- D. Debris removal will be paid only if:
1. reported to us in writing within 180 days of the date of the direct loss or damage to the **accounts receivable records, fine arts or valuable papers**; or
 2. a Limit Of Insurance applicable to the damaged **accounts receivable records, fine arts or valuable papers** is shown in the Declarations.
- E. Debris removal does not apply to costs to:
1. clean up or remove **contaminants** from land, water or air;
 2. clean up, remove, restore or replace covered **accounts receivable records, fine arts or valuable papers** because of the presence of **contaminating agents**; or
 3. clean up, remove, restore or replace contaminated land, water or air, either inside or outside of a **building**.

Policy Exclusions

The following Policy Exclusions apply to all the coverages in this contract.

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This Acts Or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Contaminants

This insurance does not apply to loss or damage caused by or resulting from the mixture of or contact between property and a **contaminant** when such mixture or contact causes the property to be impure and harmful to:

- itself or other property;
- persons, animals or plants;
- land, water or air; or
- any other part of an environment,

either inside or outside of a building or other structure, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Contaminants exclusion does not apply to:

- A. the mixture of or contact between property and **contaminants** if the mixture or contact is directly caused by or directly results from a **specified peril**;
- B. any solid, liquid or gas used to suppress fire; or

Reference Copy

Accounts Receivable, Fine Arts, Money And Securities And Valuable Papers For Life Sciences

Policy Exclusions

Contaminants (continued)

C. **water.**

Paragraphs B and C do not apply to loss or damage involving:

- viruses or pathogens; or
- ammonia.

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest or criminal acts or omissions committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to:

- A. acts of vandalism;
- B. acts committed by carriers or warehousemen for hire or anyone claiming to be a carrier or warehouseman for hire, other than:
 - 1. you, your partners, directors, trustees and employees;
 - 2. anyone performing acts coming within the scope of the usual duties of your employees; or
 - 3. anyone authorized to act for you; or
- C. ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Governmental Or Military Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental or military authority:

- A. when taken at the time of a fire to prevent its spread, if the fire would be covered under this insurance; or
- B. if the act of destruction is made necessary by direct physical loss or damage to:
 - 1. **accounts receivable records, fine arts or valuable papers** while **in transit**; or
 - 2. a conveyance in or on which **accounts receivable records, fine arts or valuable papers** while **in transit** is loaded,caused by or resulting from a peril not otherwise excluded.

Reference Copy

Policy Exclusions

(continued)

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Nuclear Hazard exclusion does not apply to ensuing loss or damage to **accounts receivable records, fine arts, money or securities or valuable papers** caused by or resulting from fire, if the fire would be covered under this insurance and there is a law in effect in the jurisdiction where the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage.

Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- materials used in repair, construction, renovation or remodeling; or
- maintenance,

of part or all of any property on or off the premises shown in the Declarations.

This Planning, Design, Materials Or Maintenance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Reference Copy

Accounts Receivable, Fine Arts, Money And Securities And Valuable Papers For Life Sciences

Policy Exclusions

(continued)

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or deterioration.

This Wear And Tear exclusion does not apply to:

- **money and securities**; or
- ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Accounts Receivable Exclusions

The following Accounts Receivable Exclusions apply solely to **accounts receivable records**:

Audit

This insurance does not apply to loss or damage disclosed by an audit or inventory count. In the event the loss or damage is established by independent means, you may use an audit or inventory count to support your claim for that loss.

Bookkeeping

This insurance does not apply to bookkeeping, accounting or billing errors or omissions.

Fine Arts Exclusions

The following Fine Arts Exclusions apply solely to **fine arts**:

Insects Or Animals

This insurance does not apply to loss or damage caused by or resulting from nesting or infestation by, or discharge or release of waste products or secretions of:

- insects;
- birds;
- rodents; or
- other animals.

This Insects Or Animals exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Repair, Restoration Or Retouching

This insurance does not apply to loss or damage caused by or resulting from repair, restoration or retouching.

Money And Securities Exclusions

The following Money And Securities Exclusions apply solely to **money and securities**:

Accounting

This insurance does not apply to accounting, mathematical or record-keeping errors.

Reference Copy

Money And Securities Exclusions

(continued)

Books And Records

This insurance does not apply to loss or damage to manuscripts, records, accounts, media, microfilm or tapes.

Income, Interest Or Dividends

This insurance does not apply to loss of income, interest or dividends.

Expenses

This insurance does not apply to any fees, costs or expenses you incur or pay:

- in establishing the existence or the amount of any loss or damage; or
- in prosecuting or defending any legal proceeding or claim, whether or not any such proceeding results or would result in a loss or damage covered under this insurance.

Fire To Property Of Others

This insurance does not apply to loss or damage caused by or resulting from fire to property of others that you hold as a pledge or as collateral.

Forgery

This insurance does not apply to loss or damage caused by or resulting from forgery.

Kidnap/Ransom Or Extortion

This insurance does not apply to loss or damage caused by or resulting from kidnap/ransom or other extortion payments surrendered to any person as a result of a threat to do:

- bodily harm to any person; or
- damage to the premises or other property owned by you or held by you in any capacity.

This Kidnap/Ransom Or Extortion exclusion does not apply to **robbery of money or securities**.

Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Premises Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such coverage is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Premises Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Reference Copy

Accounts Receivable, Fine Arts, Money And Securities And Valuable Papers For Life Sciences

Loss Payment Basis

Accounts Receivable

Accounts receivable loss payment will be determined as follows:

- A. when there is proof that a covered loss has occurred but you cannot accurately establish the amount of **accounts receivable** outstanding at the time of the loss, the amount of the loss will be based on your latest financial statements and will be computed as follows:
 - 1. determine the amount of all outstanding **accounts receivable** at the end of the same month in the year immediately preceding the year in which the loss occurred;
 - 2. determine your total gross sales of goods and services for the 12-month period immediately preceding the month in which the loss occurred;
 - 3. determine your total gross sales of goods and services for the 12-month period immediately preceding the same month in the year immediately preceding the year in which the loss occurred;
 - 4. calculate the percentage increase or decrease of step 2 over step 3;
 - 5. the total amount of **accounts receivable** as of the last day of the month in which the loss occurs will be the amount determined in step 4; and
 - 6. the established monthly amount of **accounts receivable** will be adjusted for the normal fluctuation in the amount of **accounts receivable** in the month in which the loss occurs;
- B. we will deduct from the established total amount of **accounts receivable**:
 - 1. the amount of any accounts evidenced by records not lost or damaged;
 - 2. any other amounts you are able to establish or collect; and
 - 3. an amount to allow for probable bad debts, returns, discounts and allowances which you normally would have been unable to collect;
- C. if you recover the amount of any **accounts receivable** that were included in the amount of the paid loss, you will return the recovered amount to us, up to the total amount of the paid loss. You will keep the amount of any **accounts receivable** you recover in excess of the amount of the paid loss;
- D. you shall take reasonable measures to attempt the reproduction of **accounts receivable records** in an effort to mitigate your **accounts receivable** loss.

Fine Arts

Fine arts are valued based on **market value**.

Fine Arts Of Others

Fine arts not owned by you are valued on the same basis as your **fine arts**, subject to the Pair Or Set – Fine Arts Loss Payment Basis provision, but we will not pay more than the amount for which you are contractually liable.

Money

Money is valued based on:

- the face value of United States or Canadian currency if the loss involves United States or Canadian currency; or
- the United States dollar value of a foreign currency based on the free currency rate of exchange in effect on the day any loss involving foreign currency is discovered.

Reference Copy

Loss Payment Basis

Money (continued)

If the loss occurs before the **money** has been counted and recorded by you, the value of the **money** will not exceed the amount that is reasonably estimated and satisfactory to us.

Pair Or Set – Fine Arts

In the event of loss or damage to **fine arts** that are part of a pair or set, at your option, we will either pay:

- the **market value** of the entire pair or set. You will return to us the remaining pieces;
- the cost to repair the lost or damaged pieces. You will keep the undamaged pieces. If the pair or set with the repaired pieces has a lower value than it had prior to the loss, we will also pay that difference. In no event will we pay more than the value that the pair or set had prior to the loss or damage; or
- the **market value** of the lost or damaged pieces prior to the loss or damage when the pieces cannot be found or repaired. You will keep the undamaged pieces. If the remaining pieces have a reduced value, we will pay the difference between the value of the remaining pieces prior to the loss or damage and after the loss or damage. In no event will we pay more than the value the pair or set had prior to the loss or damage.

Securities

Securities are valued based on the lesser of the following:

- the actual market value of the **securities** at the end of the last business day before the loss is discovered; or
- the actual cost of replacing the **securities** on the day loss payment is made.

Property of others that you hold as a pledge or as collateral for a loan is valued at:

- actual cash value at the time you made the loan; or
- the amount of the loan that remains unpaid at the time of loss, plus accrued interest on that amount at legal interest rates.

Valuable Papers

Valuable papers are valued based on the full cost of replacement or reproduction at the time of direct physical loss or damage when they are actually replaced or reproduced.

If **valuable papers** are not replaced or reproduced, the value is based on the cost of blank materials.

Valuable Papers Of Others

Valuable papers not owned by you are valued on the same basis as your **valuable papers**, but we will not pay more than the amount for which you are contractually liable.

Loss Payment Limitations

Electronic Data

We will not pay for loss or damage to **electronic data**, unless such direct loss or damage is caused by or results from:

- aircraft;
- earthquake, to the extent covered under this contract;

Reference Copy

Accounts Receivable, Fine Arts, Money And Securities And Valuable Papers For Life Sciences

Loss Payment Limitations

Electronic Data (continued)

- explosion;
- falling objects;
- fire;
- **flood**, to the extent covered under this contract;
- freezing;
- leakage from fire protection equipment;
- lightning;
- riot or civil commotion;
- **sinkhole collapse**;
- smoke;
- vehicles;
- weight of snow; or
- windstorm or hail.

Payment Made By Others (Money And Securities)

We will deduct from any payment we make for loss or damage to **money** or **securities** the amount you recover from:

- any contract you have with an armored vehicle company;
- insurance carried by an armored vehicle company; and
- insurance carried by others.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Reference Copy

Property Insurance**Electronic Data Processing Property
For Life Sciences****Table Of Contents**

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Electronic Data Processing Property For Life Sciences

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words “you” and “your” refer to the Named Insured shown in the Declarations of this policy. The words “we,” “us” and “our” refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, the loss or damage must:

- be caused by or result from a **technology peril**; and
- occur at, or within 1,000 feet of, the premises shown in the Declarations.

Electronic Data Processing Property

We will pay for direct physical loss or damage to **electronic data processing property** caused by or resulting from a **technology peril**, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment;**
- **electronic data;**
- **mobile communication property;** or
- **communication property;**

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment;
- Electronic Data;
- Mobile Communication Property; or
- Communication Property,

shown in the Declarations will apply.

Public Safety Service Charges

We will pay the charges you:

- assume under any contract or agreement; or
- are required to pay by local ordinance,

in effect at the time of the direct physical loss or damage, if a fire department or other municipal agency charged with preserving public safety is called to save or protect **electronic data processing property** from direct physical loss or damage caused by or resulting from a **technology peril**, not to exceed the applicable Limit Of Insurance for Public Safety Service Charges shown in the Declarations.

Reference Copy

Premises Coverages

(continued)

Removal

We will pay for direct physical loss or damage to **electronic data processing property** while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move the **electronic data processing property** from such location to preserve it from imminent loss or damage caused by or resulting from a **technology peril**, not to exceed the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment;
- Electronic Data;
- Communication Property; or
- Electronic Data Processing Property,

shown in the Declarations.

Additional Coverages

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for direct physical loss or damage caused by or resulting from a **technology peril** to:

- **electronic data processing equipment;**
- **electronic data;** or
- **communication property,**

at unspecified premises, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under Any Other Location in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment;**
- **electronic data;** or
- **communication property,**

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment;
- Electronic Data; or
- Communication Property,

shown under Any Other Location in the Declarations will apply.

This Additional Coverage does not apply to **electronic data processing property**:

- while at any exhibition, fair or trade show;
- at any newly acquired premises; or
- while **in transit**.

This Additional Coverage applies only if an applicable Limit Of Insurance for Electronic Data Processing Property is shown under Any Other Location in the Declarations.

Reference Copy

Electronic Data Processing Property For Life Sciences

Additional Coverages (continued)

Exhibition, Fair Or Trade Show

We will pay for direct physical loss or damage to:

- **electronic data processing equipment;** or
- **electronic data,**

caused by or resulting from a **technology peril** while:

- **in transit** to or from any exhibition, fair or trade show; or
- at any exhibition, fair or trade show,

not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under Exhibition, Fair Or Trade Show in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment;** or
- **electronic data,**

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment; or
- Electronic Data,

shown under Exhibition, Fair Or Trade Show in the Declarations will apply.

This Additional Coverage applies only if an applicable Limit Of Insurance for Electronic Data Processing Property is shown under Exhibition, Fair Or Trade show in the Declarations.

Fire Protection Equipment

We will pay the cost you incur to refill your discharged fire protection equipment whether or not there is direct physical loss or damage to your **electronic data processing property**.

This Additional Coverage is provided regardless of whether a Limit Of Insurance is shown in the Declarations.

In Transit

We will pay for direct physical loss or damage to:

- **electronic data processing equipment;** or
- **electronic data,**

while **in transit** caused by or resulting from a **technology peril**, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under In Transit in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment;** or
- **electronic data,**

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment; or
- Electronic Data,

shown under In Transit in the Declarations will apply.

Reference Copy

Additional Coverages

In Transit (continued)

This Additional Coverage does not apply:

- to **electronic data processing property** while **in transit** to or from any exhibition, fair or trade show;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance which covers **electronic data processing property** while **in transit**; or
- to shipments by mail, unless registered.

This Additional Coverage applies only if an applicable Limit Of Insurance for Electronic Data Processing Property is shown under In Transit in the Declarations.

International Air Shipments

We will pay for direct physical loss or damage to:

- **electronic data processing equipment**; or
- **electronic data**,

caused by or resulting from a **technology peril** while being shipped by air to or from:

- the contiguous United States of America;
- Canada;
- the State of Alaska;
- the State of Hawaii;
- Puerto Rico; or
- territories or possessions of the United States of America or Canada,

and points worldwide, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under International Air Shipments in the Declarations.

If you purchase additional, separate Limits of Insurance for:

- **electronic data processing equipment**; or
- **electronic data**,

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment; or
- Electronic Data,

shown under International Air Shipments in the Declarations will apply.

This Additional Coverage applies from the delivery of **electronic data processing equipment** or **electronic data** at the point of origin shown in the air waybill until it is discharged at the destination shown in the air waybill.

This Additional Coverage does not apply:

- to **electronic data processing property** while being shipped to or from any exhibition, fair or trade show;
- to **electronic data processing property** being shipped by mail;

Reference Copy

Electronic Data Processing Property For Life Sciences

Additional Coverages

International Air Shipments (continued)

- if you have purchased separate ocean marine insurance which covers **electronic data processing property** while being shipped by air;
- if you are required to provide a negotiable special cargo policy of insurance to any seller, buyer or bank; or
- to any loss or damage to **electronic data processing property** payable under the Additional Coverage for In Transit.

This Additional Coverage applies only if an applicable Limit Of Insurance for Electronic Data Processing Property is shown under International Air Shipments in the Declarations.

Mobile Communication Property

We will pay for direct physical loss or damage to **mobile communication property** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Mobile Communication Property shown in the Declarations.

This Additional Coverage does not apply to **mobile communication property** at, or within 1,000 feet of, the premises shown in the Declarations.

Newly Acquired Electronic Data At Newly Acquired Premises

We will pay for direct physical loss or damage to **electronic data** at newly acquired premises caused by or resulting from a **technology peril**, not to exceed the Limit Of Insurance for Electronic Data shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This Additional Coverage applies until the first of the following occurs:

- you report the value of the **electronic data** at the newly acquired premises to us and we add such **electronic data** to this policy;
- 180 days pass from the date you acquire the premises; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the premises, if we add such **electronic data** to this policy.

Newly Acquired Electronic Data Processing Equipment And Communications Property

We will pay for direct physical loss or damage to newly acquired:

- **electronic data processing equipment;** or
- **communication property,**

at:

- the premises shown in the Declarations; or
- newly acquired premises,

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Equipment or Communication Property shown in the Declarations under Newly Acquired Premises or Newly Acquired Or Constructed Property.

Reference Copy

Additional Coverages

Newly Acquired Electronic Data Processing Equipment And Communications Property (continued)

This Additional Coverage applies until the first of the following occurs:

- you report the value of the newly acquired **electronic data processing equipment** or **communication property** to us and we add such **electronic data processing equipment** or **communication property** to this policy;
- 180 days pass from the date you acquire the **electronic data processing equipment** or **communication property**; or

this policy expires.

We will charge you additional premium for the reported values from the date you acquire the **electronic data processing equipment** or **communication property**, if we add such **electronic data processing equipment** or **communication property** to this policy.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses we require you to incur after covered direct physical loss or damage to **electronic data processing property** to determine the extent of such loss or damage, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant or attorney; or
- of your subsidiaries or affiliates.

Debris Removal Coverage

The following Debris Removal Coverage applies.

Debris Removal

We will pay for the costs you incur to remove debris of damaged **electronic data processing equipment** or **communication property** caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to the **electronic data processing equipment** or **communication property**.

Debris removal does not apply to costs to:

- clean up or remove **contaminants** from land, water or air;
- clean up, remove, restore, or replace property because of the presence of **contaminating agents**; or
- clean up, remove, restore or replace contaminated land, water or air,

either inside or outside of a building.

This Debris Removal Additional Coverage is provided regardless of whether a Limit Of Insurance for Debris Removal is shown in the Declarations.

Reference Copy

Electronic Data Processing Property For Life Sciences

Policy Exclusions

The following Policy Exclusions apply to all the coverages in this contract:

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This Acts Or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a **technology peril**.

Business Errors

This insurance does not apply to loss or damage to **electronic data processing property** caused by or resulting from errors in the:

- altering;
- calibrating;
- constructing;
- developing;
- distributing;
- installing;
- manufacturing;
- maintaining;
- processing;
- repairing;
- researching; or
- testing,

of that **electronic data processing property**.

This Business Errors exclusion does not apply to:

- loss or damage that results to other covered property; or
- ensuing loss or damage caused by or resulting from a **technology peril**.

Contaminants

This insurance does not apply to loss or damage caused by or resulting from the mixture of or contact between property and a **contaminant** when such mixture or contact causes the property to be impure and harmful to:

- itself or other property;
- persons, animals or plants;
- land, water or air; or
- any other part of an environment,

either inside or outside of a building or other structure, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Reference Copy

Policy Exclusions

Contaminants (continued)

This Contaminants exclusion does not apply to:

- A. the mixture of or contact between property and **contaminant** if the mixture or contact is directly caused by or directly results from a **specified peril**;
- B. any solid, liquid or gas used to suppress fire;
- C. **water**; or
- D. the International Air Shipments Additional Coverage.

Paragraphs B and C do not apply to loss or damage involving:

- viruses or pathogens; or
- ammonia.

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest or criminal acts or omissions committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to:

- A. acts of vandalism;
- B. acts committed by carriers or warehousemen for hire or anyone claiming to be a carrier or warehouseman for hire, other than:
 - 1. you, your partners, directors, trustees and employees;
 - 2. anyone performing acts coming within the scope of the usual duties of your employees; or
 - 3. anyone authorized to act for you; or
- C. ensuing loss or damage caused by or resulting from a **technology peril**.

Earthquake

This insurance does not apply to loss or damage caused by or resulting from earthquake, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Earthquake exclusion:

- applies only in the state of California, unless otherwise stated; and
- does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Errors In Systems Programming

This insurance does not apply to loss or damage caused by or resulting from:

- A. errors or omissions in the development of, programming of, or instructions to:
 - 1. **electronic data processing property**; or
 - 2. a machine; or

Reference Copy

Electronic Data Processing Property For Life Sciences

Policy Exclusions

Errors In Systems Programming (continued)

- B. **electronic data** which is faulty, inadequate or defective for the use intended at the time of loss or damage.

This Errors In Systems Programming exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Governmental Or Military Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental or military authority:

- A. when taken at the time of a fire to prevent its spread, if the fire would be covered under this insurance; or
- B. if the act of destruction is made necessary by direct physical loss or damage to:
1. **electronic data processing property** while **in transit**; or
 2. a conveyance in or on which **electronic data processing property** while **in transit** is loaded,

caused by or resulting from a **technology peril**.

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Nuclear Hazard exclusion does not apply to ensuing loss or damage to **electronic data processing property** caused by or resulting from fire, if the fire would be covered under this insurance and there is a law in effect in the jurisdiction where the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage.

Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- materials used in repair, construction, renovation or remodeling; or

Reference Copy

Policy Exclusions

Planning, Design, Materials Or Maintenance (continued)

- maintenance,
of part or all of any property on or off the premises shown in the Declarations.
- This Planning, Design, Materials Or Maintenance exclusion does not apply to ensuing loss or damage caused by or resulting from a **technology peril**.

Utility Supply Failure

This insurance does not apply to loss or damage caused by or resulting from suspension or reduction of:

- water services;
- electric or other power services;
- natural gas or other fuel services; or
- Internet or other communication services,

regardless of any other cause or event that:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Utility Supply Failure exclusion does not apply:

- if the suspension or reduction of such services is the direct result of direct physical loss or damage caused by or resulting from a **technology peril**; or
- to ensuing loss or damage caused by or resulting from a **specified peril**.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or deterioration.

This Wear And Tear exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Reference Copy

Electronic Data Processing Property For Life Sciences

Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Premises Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such coverages is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Premises Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The following Loss Payment Basis provisions apply to all coverages contained within this contract, unless otherwise stated.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. covered property is valued on a replacement cost basis as described below, unless:
 - 1. the Loss Payment Basis shown in the Declarations is Actual Cash Value; or
 - 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. valuation also includes, for **electronic data processing equipment** or **communication property**, costs you incur as described below under Ordinance or Law and Extended Warranties.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option we will either:

- pay the covered value of the lost or damaged covered property;
- pay the cost of repairing or replacing the lost or damaged covered property plus any reduction in value of the repaired item;
- take all or any part of the covered property at an agreed or appraised value; or
- repair or replace the covered property with other such property of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

Lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage, but not more than you actually spend to repair or replace such property at the same or another location for the same use or occupancy. There is no deduction for physical deterioration or depreciation.

If you replace the lost or damaged **electronic data processing property**, the valuation will include customs duties incurred.

If you do not repair or replace the covered property, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged covered property within 24 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the:

- replacement cost at the time of loss or damage; or

Reference Copy

Loss Payment Basis

Replacement Cost Basis (continued)

- actual costs you incur to repair or replace.

Payment under the Replacement Cost Basis will not be made until the completion of the repairs or the replacement of the covered property.

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is Actual Cash Value, lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Ordinance Or Law

If there is an ordinance or law in effect at the time of loss or damage that regulates zoning, land use or construction of **electronic data processing equipment** or **communication property**, and if that ordinance or law affects the repair or replacement of the lost or damaged **electronic data processing equipment** or **communication property** and if you:

- A. repair or replace the **electronic data processing equipment** or **communication property** as soon as reasonably possible, the valuation will include:
 - 1. a. the replacement cost of the damaged and undamaged portions of the **electronic data processing equipment** or **communication property**; or
 - b. the actual cash value of the damaged and undamaged portions of the **electronic data processing equipment** or **communication property** (if the applicable Loss Payment Basis shown in the Declarations is Actual Cash Value);
 - 2. the costs to demolish and clear the site of the undamaged portion of the **electronic data processing equipment** or **communication property**; and
 - 3. the increased cost to repair or replace **electronic data processing equipment** or **communication property** to the same general size at the same site and for the same general use, to the minimum standards of such ordinance or law, except we will not include any costs:
 - a. incurred outside the legal property boundary of the premises shown in the Declarations;
 - b. if **electronic data processing equipment** or **communication property** is valued on an actual cash value basis; or
 - c. attributable to any ordinance or law that you were required to, but failed to, comply with before the loss; or
- B. do not repair or replace the **electronic data processing equipment** or **communication property**, the valuation will include:
 - 1. the actual cash value of the damaged and undamaged portions of the **electronic data processing equipment** or **communication property**; and
 - 2. the cost to demolish and clear the site of the undamaged portion of the **electronic data processing equipment** or **communication property**.

Reference Copy

Electronic Data Processing Property For Life Sciences

Loss Payment Basis

Ordinance Or Law (continued)

When direct physical loss or damage is caused by or results from both:

- a **technology peril**; and
- an excluded peril,

the valuation will not include the Ordinance Or Law costs attributable to the excluded peril. Instead, the valuation will be based on that portion of such costs equal to the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage, not including Ordinance Or Law costs, unless the Ordinance Or Law applies solely to that portion of the **electronic data processing equipment** or **communication property** which suffered the covered direct physical loss or damage.

This Ordinance Or Law Loss Payment Basis does not apply to:

- any increase in costs, loss or damage associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **contaminants**; or
- loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

If a maximum value for ordinance or law is shown in the Declarations, then, subject to the applicable Limit Of Insurance shown in the Declarations, such maximum value is the most we will consider under Ordinance Or Law.

Extended Warranties

Electronic data processing equipment or **communication property** valuation includes the pro rata portion of the original cost based on the period of time remaining in your nonrefundable extended warranties, maintenance contracts or service contracts that you purchased and which are no longer valid on lost or damaged **electronic data processing equipment** or **communication property** that you repair or replace.

Loss Payment Basis Exceptions

Electronic Data

Electronic data is valued on the full cost of replacement or reproduction at the time of direct physical loss or damage when the **electronic data** is actually replaced or reproduced.

If the **electronic data** is not replaced or reproduced, the value is based on the cost of replacing **blank media**.

Reference Copy

**Loss Payment Basis
Exceptions**

(continued)

Nuclear Hazard

Electronic data processing property which suffers direct physical loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination, is valued on an actual cash value basis, subject to all other exceptions described under Loss Payment Basis Exceptions.

**Electronic Data
Processing Property Not
Owned By You**

Electronic data processing property not owned by you is valued on the same basis as your **electronic data processing property**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Labor, materials and services that you furnish or arrange on **electronic data processing property** not owned by you is valued based on the actual cost of the labor, materials and services.

**Loss Payment
Limitations****Loss Of Market**

We will not pay for any loss or damage that results from loss of market, loss of use or delay.

**Conditions (Including
Coverage Territory)**

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

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Extra Expense For Life Sciences

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words “you” and “your” refer to the Named Insured shown in the Declarations of this policy. The words “we,” “us” and “our” refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, direct physical loss or damage must:

- be caused by or result from a **covered peril**; and
- occur at, or within 1,000 feet of, the premises, other than a **dependent business premises**, shown in the Declarations.

Extra Expense

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Extra Expense shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** unless otherwise stated.

This Premises Coverage applies only at those premises:

- where you incur an **extra expense** loss; and
- for which a Limit Of Insurance for Extra Expense is shown in the Declarations.

Additional Coverages

The following Additional Coverages apply within the coverage territory.

Civil Authority

We will pay for the actual **extra expense** you incur due to the actual impairment of your **operations**, directly caused by the prohibition of access to:

- your premises; or
- a **dependent business premises**,

by a civil authority.

This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises or such **dependent business premises** by a **covered peril**, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises or **dependent business premises**, whichever is greater.

The most we will pay for Civil Authority is the applicable Limit Of Insurance for Extra Expense shown in the Declarations.

Reference Copy

Additional Coverages

Civil Authority *(continued)*

The coverage will begin immediately after the time the civil authority prohibits access and will end:

- 30 consecutive days after the coverage begins; or
 - whenever your **extra expense** is no longer required,
- whichever occurs first.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Dependent Business Premises

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Dependent Business Premises shown under Extra Expense in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** or **personal property of a dependent business premises** at a **dependent business premises** shown in the Declarations.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Loss Of Utilities

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations**, not to exceed the applicable Limit of Insurance for Loss Of Utilities shown under Extra Expense in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to:

- **building;**
- **personal property of a utility** located either inside or outside of a **building;** or
- **service property,**

excluding **overhead communication, transmission or distribution equipment**, necessary to supply your premises with:

- water supply;
- communication supply;
- power supply;
- natural gas supply;
- sewage treatment; or
- **on-line access,**

services.

We will pay such loss provided that the disruption of services:

- is not due to your failure to comply with the terms and conditions of any contract; and
- has been reported to the service provider.

Reference Copy

Extra Expense For Life Sciences

Additional Coverages

Loss Of Utilities (continued)

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss, not to exceed the applicable Limit Of Insurance shown in the Declarations.

Loss Determination

In making any loss determination under this coverage, we will utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- written agreements evidencing grants, endowments, or other financial contributions;
- status and feasibility reports; and
- budgeting and marketing records.

Extra Expense

The amount of **extra expense** loss will be determined based on necessary expenses that exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration**, if no physical loss or damage had occurred.

We will deduct from the total of such expenses:

- the salvage value that remains of any property bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

Resumption Or Continuance Of Operations

If you elect not to resume or continue **operations**, we will not make any payment for **extra expense**.

Loss Payment Limitations

Contaminant Clean-up Or Removal

We will not pay for any **extra expense** caused by or resulting from the:

- clean up or removal of **contaminants** from any land, water or air, either inside or outside of a **building**; or
- testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of **contaminants**.

Reference Copy

Loss Payment Limitations

(continued)

Debris Removal

We will not pay for any **extra expense** you incur for the demolition or removal of debris.

Increase Of Loss Due To Death Or Injury

We will not pay for any **extra expense** you incur caused by or resulting from any injury, sickness, disease, death, emotional injury, emotional distress or humiliation of any person.

Increase Of Loss Due To Strikers Or Others Causing A Delay

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing property or resuming your **operations**, due to interference at the location of the repair, replacement or **operations** by strikers or other persons.

Loss Or Damage To Electronic Data

We will not pay for any **extra expense** you incur caused by or resulting from direct physical loss or damage to **electronic data**, unless such direct physical loss or damage is caused by or results from:

- aircraft;
 - explosion;
 - earthquake, (except California) to the extent covered under the Electronic Data Processing Property contract which is part of this policy;
 - falling objects;
 - fire;
 - **flood**, to the extent covered under the Electronic Data Processing Property contract which is part of this policy;
 - freezing;
 - leakage from fire protection equipment;
 - lightning;
 - riot or civil commotion;
 - **sinkhole collapse**;
 - smoke;
 - vehicles;
 - weight of snow; or
 - windstorm or hail.
-

Reference Copy

Extra Expense For Life Sciences

Loss Payment Limitations

(continued)

Loss Or Damage To Property Used To Provide Utility Services

Except as provided for in the Loss Of Utilities Additional Coverage, we will not pay for any **extra expense** caused by or resulting from loss or damage to:

- **building;**
- **personal property of a utility** located either inside or outside of a **building;** or
- **service property,**

used by you or a utility or provide you with utility services.

Loss Or Damage To Water

We will not pay for any **extra expense** you incur for loss or damage to water.

Nuclear Hazard

We will not pay for any **extra expense** you incur for loss or damage to **building** or **personal property** caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Reference Copy

Property Insurance**Business Income With Extra Expense And
Research And Development Income Coverage
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Business Income With Extra Expense And Research And Development Income Coverage For Life Sciences

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, direct physical loss or damage must:

- be caused by or result from a **covered peril**; and
- occur at, or within 1,000 feet of, the premises, other than a **dependent business premises**, shown in the Declarations.

Business Income And Extra Expense

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income With Extra Expense And Research And Development Income shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property**, unless otherwise stated.

This Premises Coverage applies only at those premises:

- where you incur a **business income** loss or **extra expense**; and
- for which a Limit Of Insurance for Business Income With Extra Expense And Research And Development Income is shown in the Declarations.

Contractual Penalties

We will pay for the contractual penalties you are legally liable to pay under the written provisions of a contract due to a material breach of that contract, not to exceed the applicable Limit Of Insurance for Contractual Penalties shown under Business Income in the Declarations.

This material breach of contract must be the direct result of direct physical loss or damage by a **covered peril to property**.

Ingress And Egress

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and

Reference Copy

Premises Coverages

Ingress And Egress (continued)

- **extra expense** you incur due to the actual or potential impairment of your **operations**, when existing ingress to or egress from a premises shown in the Declarations is prevented due to direct physical loss or damage by a **covered peril** to property at a location contiguous to such premises.

This Premises Coverage will begin at the time of direct physical loss or damage and will continue until the expiration of thirty (30) consecutive days thereafter or whenever your **business income** coverage ends, whichever occurs first.

This Premises Coverage does not apply if the:

- direct physical loss or damage is caused by or results from earthquake or **flood**; or
- ingress to or egress from your premises is prohibited by civil authority.

The most we will pay for this Premises Coverage is the Limit Of Insurance for Ingress And Egress shown under Business Income in the Declarations.

Newly Acquired Research And Development Income

We will pay for the actual **business income** loss you incur due to the loss of **research and development income** acquired pursuant to any written agreement executed after the inception of this policy, which results from the actual impairment of your **research and development operations** during the **period of restoration**. This actual impairment of **research and development operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property**.

This Premises Coverage:

- A. applies only at those premises:
 - 1. where you incur a **research and development income** loss; and
 - 2. for which a Limit Of Insurance for Business Income With Extra Expense And Research And Development Income is shown in the Declarations;
- B. is subject to the applicable Limit Of Insurance for Newly Acquired Research and Development Income shown under Business Income in the Declarations; and
- C. applies until the first of the following occurs:
 - 1. you notify us of how you want Business Income coverage to apply to newly acquired **research and development income** for your **research and development operations** at the premises shown in the Declarations, and we agree to provide such coverage;
 - 2. 90 days pass from the date the written agreement is executed; or
 - 3. this policy expires.

If we agree to provide such coverage, we will charge you additional premium from the date you executed the agreement. Such additional premium will be based on:

- the current worksheet you provide; and
- the modification in the Limits Of Insurance you request.

New Product Delay

We will pay for the actual **business income** loss you incur and discover after lost or damaged **property** directly related to your **research and development operations** is repaired or replaced and your **research and development operations** are restored, with reasonable speed to the condition that would have existed if no direct physical loss or damage occurred.

Reference Copy

Business Income With Extra Expense And Research And Development Income Coverage For Life Sciences

Premises Coverages

New Product Delay (continued)

Such payment will be made:

- only if you discover the **business income** loss within 24 months after the date of the direct physical loss or damage;
- only after the new product or the enhanced product is made available in the market-place; and
- for the period equal to the length of time it originally took to restore such lost or damaged **property** with reasonable speed.

If a competitor introduces a similar product prior to the date you scheduled the introduction of your new or enhanced product, we will reduce the amount of such actual **business income** loss to the extent attributable to the competitor's product.

The **business income** loss must be caused by or result from direct physical loss or damage by a **covered peril** to **property**, and must result in a delay in the introduction of any new product or the enhancement of any existing product.

The most we will pay for New Product Delay is the applicable Limit Of Insurance for Business Income With Extra Expense And Research And Development Income shown in the Declarations.

Additional Coverages

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under Any Other Location in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** at unspecified premises.

This Additional Coverage does not apply to **business income** loss or **extra expense** you incur caused by or resulting from loss or damage to property:

- used by utility companies to supply you with services;
- used by **on-line access** providers;
- at a **dependent business premises**;
- at a newly acquired premises;
- at any exhibition, fair or trade show; or
- **in transit**.

This Additional Coverage applies only if a Limit Of Insurance for Business Income is shown under Any Other Location in the Declarations.

Reference Copy

Additional Coverages

(continued)

Civil Authority

We will pay for the actual:

- **business income** loss; or
- **extra expense**,

you incur due to the actual impairment of your **operations**, directly caused by the prohibition of access to:

- your premises; or
- a **dependent business premises**,

by a civil authority.

This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises or such **dependent business premises** by a **covered peril**, provided such property is within:

- one mile; or
- the applicable miles shown in the Declarations,

from such premises or **dependent business premises**, whichever is greater.

The most we will pay for Civil Authority is the applicable Limit Of Insurance for Business Income With Extra Expense And Research And Development Income shown in the Declarations.

The coverage for:

A. **business income** will begin:

1. after the applicable waiting period shown in the Declarations for Business Income expires; or
2. 24 normal business hours following the time the civil authority prohibits access, whichever is the longer.

The Waiting Period shown in the Declarations will begin immediately following the time the civil authority prohibits access.

The coverage will apply for a period of:

- up to 30 consecutive days after coverage begins; or
- when your **business income** loss ends,

whichever occurs first; and

B. **extra expense** will begin immediately after the time the civil authority prohibits access and will end:

1. 30 consecutive days after the coverage begins; or
2. whenever your **business income** coverage ends, whichever is later.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Reference Copy

Business Income With Extra Expense And Research And Development Income Coverage For Life Sciences

Additional Coverages

(continued)

Condemnation Of Undamaged Stock

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Condemnation Of Undamaged Stock shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from the consequential loss to undamaged **stock** provided such **stock**:

- has been condemned; or
- is the subject of a written request that it be withheld from the market,

by a governmental authority because of direct physical loss or damage to **stock** at a premises shown in the Declarations caused by or resulting from a **covered peril**.

Contaminant Clean-up Or Removal

We will pay for the actual **business income** loss you incur due to the actual impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Contaminant Clean-up Or Removal shown under Business Income in the Declarations.

This actual impairment of **operations** must be caused by or result from the enforcement of any ordinance or law that requires you to clean up or remove **contaminants** from land, water or air, either inside or outside of a **building**, as a result of direct physical loss or damage by a **covered peril** to **property** at the premises shown in the Declarations.

Dependent Business Premises

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Dependent Business Premises shown under Business Income in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** or **personal property of a dependent business premises** at a **dependent business premises**.

You may purchase higher limits for specific **dependent business premises** only by showing such premises in the Declarations. Such higher limits apply to actual **business income** loss or **extra expense** only if the covered direct physical loss or damage occurs at such **dependent business premises**.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Reference Copy

Additional Coverages

(continued)

Exhibition, Fair Or Trade Show

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under Exhibition, Fair or Trade Show in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **personal property, electronic data processing property** or **fine arts** at, or while **in transit** to or from, any exhibition, fair or trade show.

This Additional Coverage applies only if a Limit Of Insurance for Business Income is shown under Exhibition, Fair or Trade Show in the Declarations.

International Air Shipments

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under International Air Shipments in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **personal property, electronic data processing property, fine arts** or **valuable papers** being shipped by air to or from:

- the contiguous United States of America;
- Canada;
- the State of Alaska;
- the State of Hawaii;
- Puerto Rico; or
- territories or possessions of the United States of America or Canada,

and points worldwide. This Additional Coverage applies from the delivery of such property at the point of origin shown in the air waybill until it is discharged at the destination shown in the air waybill.

This Additional Coverage does not apply to any **business income** loss or **extra expense**:

- caused by or resulting from loss or damage to any property while being shipped by air to or from any exhibition, fair or trade show;
- caused by or resulting from loss or damage to shipments by mail;
- if you have purchased separate ocean marine insurance that covers any property while being shipped by air;
- if you are required to provide a negotiable special cargo policy of insurance to any seller, buyer or bank; or

Reference Copy

Business Income With Extra Expense And Research And Development Income Coverage For Life Sciences

Additional Coverages

International Air Shipments (continued)

- payable under the In Transit Additional Coverage.

This Additional Coverage applies only if a Limit Of Insurance for Business Income is shown under International Air Shipments in the Declarations.

In Transit

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**, during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under In Transit in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **personal property**, **electronic data processing property**, **fine arts** or **valuable papers** while **in transit**.

This Additional Coverage does not apply to any **business income** loss or **extra expense**:

- caused by or resulting from loss or damage to any property while **in transit** to or from any exhibition, fair or trade show;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance which covers any property while **in transit**;
- caused by or resulting from loss or damage to shipments by mail, unless registered; or
- payable under the International Air Shipments Additional Coverage.

This Additional Coverage applies only if a Limit Of Insurance for Business Income is shown under In Transit in the Declarations.

Loss Of Utilities

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**, during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Loss Of Utilities shown under Business Income in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to:

- **building**;
- **personal property of a utility** located either inside or outside of a **building**; or
- **service property**,

excluding **overhead communication, transmission or distribution equipment**, necessary to supply your premises with:

- water supply;

Reference Copy

Additional Coverages

Loss Of Utilities (continued)

- communication supply;
- power supply;
- natural gas supply;
- sewage treatment; or
- **on-line access**,
services.

We will pay such loss provided that the disruption of services:

- is not due to your failure to comply with the terms and conditions of any contract; and
- has been reported to the service provider.

We will not pay for the actual **business income** loss you incur until the:

- applicable waiting period shown in the Declarations for Business Income expires;
- applicable waiting period shown in the Declarations for Loss Of Utilities expires; or
- first 24 normal business hours following the direct physical loss or damage expires,
whichever is the longer.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Newly Acquired Premises

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown in the Declarations under Newly Acquired Premises.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** at each newly acquired premises. This Additional Coverage applies until the first of the following occurs:

- you notify us of how you want Business Income With Extra Expense to apply to the newly acquired premises and we add such premises to this policy;
- 180 days pass from the date you acquire the premises; or
- this policy expires.

We will charge you additional premium from the date you acquire the premises, if we add such premises to this policy.

Reference Copy

Business Income With Extra Expense And Research And Development Income Coverage For Life Sciences

Additional Coverages (continued)

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses and fees incurred following covered loss or damage to certify your **business income** loss or **extra expense**, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown under Business Income in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant or attorney; or
- of your subsidiaries or affiliates.

Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss, not to exceed the applicable Limit Of Insurance shown in the Declarations.

Automatic Increase In Limits

The Limits Of Insurance for Business Income With Extra Expense And Research And Development Income will automatically increase by the annual percentage shown in the Declarations under Automatic Increase In Limits. At the time of loss or damage, the amount of increase will be determined by multiplying the applicable Limit Of Insurance shown in the Declarations by the percentage of the annual increase, applied on a pro rata basis.

This Automatic Increase In Limits:

- applies only to a premises shown in the Declarations for which the Automatic Increase in Limits is shown; and
- does not apply to any Limit Of Insurance applicable to more than one premises.

Waiting Period

Subject to the applicable Limit Of Insurance, we will pay the amount of **business income** loss that is incurred after the waiting period shown in the Declarations for each **occurrence**.

If a waiting period is shown in the Declarations, the waiting period begins immediately following the time of the covered direct physical loss or damage.

If two or more Business Income waiting periods apply to the same **occurrence**, only the largest single waiting period will apply, unless otherwise stated.

Hours shown for the waiting period are the normal business hours.

The waiting period does not apply to **extra expense**.

Loss Determination

In making any loss determination under this coverage, we may utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- written agreements evidencing grants, endowments or other financial contributions;

Reference Copy

Loss Determination
(continued)

- status and feasibility reports; and
- budgeting and marketing records.

Business Income

The amount of **business income** loss will be determined based on the:

- net income of your business before the direct physical loss or damage occurred;
- the likely net income of your business if no loss or damage occurred, but not including any **business income** that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the covered loss on customers or on other businesses; and
- your continuing operating expenses, including your continuing normal payroll expenses, necessary to resume **operations** with the same quality of service that existed just before the direct physical loss or damage.

Extra Expense

The amount of **extra expense** loss will be determined based on necessary expenses that:

- exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration**, if no physical loss or damage had occurred; and
- reduce the **business income** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains on any property bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

**Resumption Or
Continuance Of
Operations**

We will reduce the amount of any **business income** loss payment to the extent you can resume or continue your **operations**, in whole or in part, by using:

- damaged or undamaged property, including **merchandise** or **stock**; or
- any other available premises.

If you elect not to resume or continue **operations**:

- any loss determination for **business income** will be based on the length of time it would have taken to resume or continue **operations** with reasonable speed; and
- we will not make any payment for **extra expense**.

**Duration Of Loss –
Research And
Development Income**

Subject to all other terms and conditions of this contract, a **research and development income** loss begins on the date that covered direct physical loss or damage occurs, but not before the effective date shown in the Declarations.

A **research and development income** loss ends when the first of the following occurs:

- the **period of restoration** ends;
 - twelve months pass from the date of physical restoration of the lost or damaged **property**; or
 - twelve months pass from the date that physical restoration of the lost or damaged **property** would have occurred with reasonable speed.
-

Reference Copy

Business Income With Extra Expense And Research And Development Income Coverage For Life Sciences

Loss Payment Option The following Loss Payment Option applies when a Monthly Limit of Indemnity under Business Income is shown in the Declarations:

Monthly Limit Of Indemnity The most we will pay for the actual **business income** loss incurred in each period of 30 consecutive days after the beginning of the **period of restoration** will be determined by multiplying the Limit Of Insurance for Business Income With Extra Expense And Research And Development Income by the Monthly Limit Of Indemnity shown in the Declarations.

If all of the amount determined by this calculation is not used in the 30 day period, the unused portion may be applied to any subsequent 30 day periods.

This Monthly Limit Of Indemnity applies only for **business income** loss, not **extra expense**.

Loss Payment Limitations

Contaminant Clean-up Or Removal

We will not pay for any **extra expense** you incur for:

- clean up or removal of **contaminants** from land, water or air, either inside or outside of a **building**; or
- testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of **contaminants**,

but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Debris Removal

We will not pay for any **extra expense** you incur for the demolition or removal of debris, but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Financing Transactions

We will not pay for any loss involving:

- public offerings of stock, bonds or other **securities**;
- loans, lines of credit or other commercial financing transactions; or
- bank interest.

Increase Of Loss Due To Death Or Injury

We will not pay for any **business income** loss or **extra expense** caused by or resulting from any injury, sickness, disease, death, emotional injury, emotional distress or humiliation of any person.

Increase Of Loss Due To Strikers Or Others Causing A Delay

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing property or resuming your **operations**, due to interference at the location of the repair, replacement or **operations** by strikers or other persons.

Reference Copy

**Loss Payment
Limitations**
(continued)

**Loss Or Damage To
Electronic Data**

We will not pay for any **business income** loss or **extra expense** you incur caused by or resulting from direct physical loss or damage to **electronic data**, unless such direct physical loss or damage is caused by or results from:

- aircraft;
- explosion;
- earthquake, (except California) to the extent covered under the Electronic Data Processing Property contract which is part of this policy;
- falling objects;
- fire;
- **flood**, to the extent covered under the Electronic Data Processing Property contract which is part of this policy;
- freezing;
- leakage from fire protection equipment;
- lightning;
- riot or civil commotion;
- **sinkhole collapse**;
- smoke;
- vehicles;
- weight of snow; or
- windstorm or hail.

**Loss Or Damage To
Finished Stock Or
Scientific Animals Held
For Sale**

We will not pay for that part of any **business income** loss to:

- **finished stock**; or
- **scientific animals** held for sale.

**Loss Or Damage To
Property Used To
Provide Utility Services**

Except as provided for in the Loss of Utilities Additional Coverage, we will not pay for any **business income** loss or **extra expense** caused by or resulting from loss or damage to:

- **building**;
- **personal property of a utility** located either inside or outside of a **building**; or
- **service property**,

used by you or a utility to provide you with utility services.

**Loss Or Damage To
Water**

We will not pay for any **business income** loss or **extra expense** you incur for loss or damage to water.

Reference Copy

Business Income With Extra Expense And Research And Development Income Coverage For Life Sciences

Loss Payment Limitations (continued)

Nuclear Hazard

We will not pay for any **business income** loss or **extra expense** you incur for loss or damage to **building** or **personal property** caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions are shown in the Additional Condition section of this contract.

Additional Conditions

Business Income Coinsurance

Coinurance applies to **business income** only when a coinsurance percentage under Business Income With Extra Expense is shown in the Declarations.

Coinurance does not apply to:

- A. **extra expense;**
- B. any covered loss of \$100,000 or less;
- C. Contractual Penalties;
- D. Ingress And Egress;
- E. Newly Acquired Research and Development Income;
- F. New Product Delay; and
- G. the following Additional Coverages:
 - 1. Any Other Location;
 - 2. Contaminant Clean-up Or Removal;
 - 3. Dependent Business Premises when a Limit Of Insurance for a specific Dependent Business Premises has not been purchased;
 - 4. Exhibition, Fair Or Trade Show;
 - 5. International Air Shipments;
 - 6. In Transit;
 - 7. Loss Of Utilities;
 - 8. Newly Acquired Premises; and
 - 9. Preparation of Loss Fees.

Reference Copy

Additional Conditions

Business Income Coinsurance (continued)

We will not pay the full amount of any **business income** loss if the applicable Limit Of Insurance for Business Income With Extra Expense And Research And Development Income shown in the Declarations is less than:

- A. the applicable coinsurance percentage under Business Income With Extra Expense shown in the Declarations multiplied by:
- B. the sum of:
 - 1. net income (net profit or loss before income taxes); and
 - 2. operating expenses, including payroll expenses,
that would have been earned or incurred (had no loss occurred) by you in your **operations** for the 12 months following the effective date, or last previous anniversary date, of this policy (whichever is later).

Instead, our maximum **business income** loss payment will be determined as follows:

- A. multiply the net income and operating expenses that would have been earned or incurred (had no loss occurred) by you in your **operations** for the 12 months following the effective date, or last previous anniversary date, of this policy by the applicable coinsurance percentage under Business Income With Extra Expense in the Declarations;
- B. divide the applicable Limit Of Insurance for Business Income With Extra Expense And Research And Development Income by the figure determined in step A;
- C. multiply the total amount of the covered loss by the figure determined in step B; and
- D. subtract the applicable waiting period, if any, from the amount determined by step C.

The amount determined in step D. is the most we will pay, not to exceed the applicable Limit Of Insurance for Business Income With Extra Expense And Research And Development Income shown in the Declarations.

In determining operating expenses for the purpose of applying coinsurance, the following expenses, if incurred, shall be deducted from the total of all operating expenses:

- prepaid freight - outgoing;
- returns and allowances;
- discounts;
- bad debts;
- collection expenses;
- cost of raw stock and factory supplies consumed (including transportation charges);
- cost of merchandise sold (including transportation charges);
- cost of other supplies consumed (including transportation charges);
- cost of services purchased from outsiders (not employees) that do not continue under contract; and
- all ordinary payroll expense or the amount of payroll expense excluded if endorsement form 80-02-5123 is attached.

Reference Copy

**Business Income With Extra Expense And
Research And Development Income Coverage
For Life Sciences**

Additional Conditions
(continued)

Payment Intervals At our option, we will make loss payments in the intervals called for in the written agreements evidencing grants, endowments or other financial contributions.

Research And Development Income Recovery If we make a loss payment pursuant to this contract and you subsequently receive payment from a third party for the **research and development operations** for which we made such payment, you will reimburse us for the amount of our payment.

Definitions The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Reference Copy

Property Insurance**Building And Personal Property
For Life Sciences****Table Of Contents**

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Building And Personal Property For Life Sciences

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Premises Coverages

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, the loss or damage must:

- be caused by or result from a peril not otherwise excluded; and
- occur at, or within 1,000 feet of, the premises shown in the Declarations.

Building Or Personal Property

We will pay for direct physical loss or damage to:

- **building;** or
- **personal property,**

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Building Or Personal Property shown in the Declarations.

Burglary Damage To Building

We will pay for direct physical loss or damage to a **building:**

- you do not own;
- you occupy; and
- for which you are contractually liable,

caused by or resulting from burglary or any attempt at burglary, not to exceed the Limit Of Insurance for Personal Property shown in the Declarations for the premises where the loss or damage occurred.

This Premises Coverage does not apply:

- to ensuing loss or damage caused by or resulting from a peril not otherwise excluded; or
- if a Limit Of Insurance for Building applicable to the premises, where the loss or damage occurred, is shown in the Declarations.

Leasehold Interest – Bonus Payment, Prepaid Rent, Sublease Profit, Tenants' Lease Interest

We will pay for the:

- **bonus payment;**
- **prepaid rent;**
- **sublease profit;** or

Reference Copy

Premises Coverages

Leasehold Interest – Bonus Payment, Prepaid Rent, Sublease Profit, Tenants' Lease Interest (continued)

- **tenants' lease interest,**

loss you incur directly resulting from the cancellation of your written lease for the premises shown in the Declarations, not to exceed the applicable Limit Of Insurance for:

- Bonus Payment;
- Prepaid Rent;
- Sublease Profit; or
- Tenants' Lease Interest,

shown under Leasehold Interest in the Declarations.

Cancellation of the lease must be:

- by the lessor;
- by a valid condition of your lease; and
- due to direct physical loss or damage to a **building** caused by or resulting from a peril not otherwise excluded at the premises shown in the Declarations.

Leasehold Interest – Undamaged Tenant's Improvements And Betterments

We will pay for the value of undamaged **tenant's improvements and betterments** when your lease is canceled:

- by the lessor; and
- by a valid condition of your lease,

due to direct physical loss or damage to **building** or **personal property** caused by or resulting from a peril not otherwise excluded at the premises shown in the Declarations, not to exceed the applicable Limit Of Insurance for Leasehold Interest – Undamaged Tenant's Improvements And Betterments shown in the Declarations.

Loss Of Master Key

We will pay for the reasonable and necessary costs you incur to:

- replace keys;
- adjust locks to accept new keys; or
- if required, install new locks,

due to direct physical loss or damage to a master key or grand master key caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Loss Of Master Key shown in the Declarations.

Loss Prevention Expenses

We will pay the reasonable and necessary costs you incur to protect:

- **building;**
- **personal property;**
- **research and development property;** or

Reference Copy

Building And Personal Property For Life Sciences

Premises Coverages

Loss Prevention Expenses (continued)

- **scientific animals,**

at the premises shown in the Declarations from imminent direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Loss Prevention Expenses shown in the Declarations.

To the extent possible, you must notify us of your intent to incur such cost before you take any loss prevention action.

In any event, you must notify us within forty-eight (48) hours after you have taken any loss prevention action.

Non-Owned Detached Trailers

We will pay for direct physical loss or damage to **non-owned detached trailers** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Non-Owned Detached Trailers shown in the Declarations.

Outdoor Trees, Shrubs, Plants Or Lawns

We will pay for direct physical loss or damage to **outdoor trees, shrubs, plants or lawns** at premises you own, rent or occupy, shown in the Declarations, caused by or resulting from:

- fire;
- lightning;
- explosion;
- riot or civil commotion; or
- aircraft or self-propelled missiles,

not to exceed the applicable Limit Of Insurance for Outdoor Trees, Shrubs, Plants Or Lawns shown in the Declarations.

Pair And Set

We will pay for consequential loss to undamaged **personal property** that is part of:

- your product; or
- any product in your care, custody or control,

which has become unmarketable as a complete product, because of covered direct physical loss or damage to **personal property** which is part of the same product, not to exceed the applicable Limit Of Insurance for Pair And Set shown in the Declarations.

This Premises Coverage applies only when you have purchased a Limit Of Insurance for Personal Property.

Personal Property Of Employees

We will pay for direct physical loss or damage to **personal property of employees** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Personal Property Of Employees shown in the Declarations.

Reference Copy

Premises Coverages

Personal Property Of Employees (continued)

We will also pay for direct physical loss or damage to **personal property of employees** caused by or resulting from a peril not otherwise excluded while such **personal property of employees** is away from your premises for the purpose of performing duties relating to the conduct of your business, not to exceed \$2,500 for any one employee or \$10,000 in the aggregate for any **occurrence**, regardless of the number of employees.

Processing Water

We will pay the cost you incur to replace water that is used in your processing operations and contained in any:

- above-ground tank;
- processing equipment; or
- any associated above-ground piping,

when such water has been released or rendered unusable for its intended purpose as a direct result of direct physical loss or damage to such tank, equipment or piping caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Processing Water shown in the Declarations.

The loss or damage must occur at the premises shown in the Declarations.

This Premises Coverage does not apply to fire protection equipment.

Public Safety Service Charges

We will pay the charges you:

- assume under any contract or agreement; or
- are required to pay by local ordinance,

in effect at the time of the direct physical loss or damage, if a fire department or other municipal agency charged with preserving public safety is called to save or protect **building, personal property, research and development property** or **scientific animals** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Public Safety Service Charges shown in the Declarations.

Removal

We will pay for direct physical loss or damage to **building components, personal property, research and development property** or **scientific animals** while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move the **building components, personal property, research and development property** or **scientific animals** from such location to preserve it from imminent loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Building, Personal Property, Research And Development Property or Scientific Animals shown in the Declarations.

Reference Copy

Building And Personal Property For Life Sciences

Premises Coverages (continued)

Research And Development Property

We will pay for:

- direct physical loss or damage to **research and development property** caused by or resulting from a peril not otherwise excluded; and
- the necessary and reasonable additional cost you incur to repair or replace **research and development property** that has been lost or damaged by a peril not otherwise excluded,

not to exceed the applicable Limit Of Insurance for Research and Development Property shown in the Declarations.

These additional costs must be in excess of the cost you would otherwise incur to repair or replace lost or damaged **research and development property** in order to meet your last scheduled introduction date (prior to loss or damage) for any new product which is based on such **research and development property**.

Scientific Animals

We will pay for direct physical loss or damage to **scientific animals** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Scientific Animals shown in the Declarations.

Additional Coverages

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for direct physical loss or damage caused by or resulting from a peril not otherwise excluded to:

- **building components;**
- **personal property;**
- **research and development property;** or
- **scientific animals,**

at unspecified premises, not to exceed the applicable Limit Of Insurance for:

- Building Components;
- Personal Property;
- Research and Development Property; or
- Scientific Animals,

shown under Any Other Location in the Declarations.

This Additional Coverage does not apply to:

- **salespersons' samples;**
- property while at any exhibition, fair or trade show;
- property at a newly acquired premises;

Reference Copy

Additional Coverages

Any Other Location (continued)

- property while **in transit**; or
- property at a job site or temporarily warehoused elsewhere awaiting installation at the job site.

This Additional Coverage applies only if a Limit Of Insurance for:

- Building Components;
- Personal Property;
- Research And Development Property; or
- Scientific Animals,

is shown under Any Other Location in the Declarations.

Arson Or Theft Reward

We will pay a reward of 25% of the covered loss or damage, up to a maximum of \$25,000, for information leading to a felony conviction arising out of direct physical loss or damage to covered property caused by or resulting from arson, larceny, burglary or vandalism.

Condemnation Of Undamaged Stock

We will pay for the consequential loss to undamaged **stock** provided such **stock**:

- has been condemned; or
- is the subject of a written request that it be withheld from the market,

by a governmental authority because of direct physical loss or damage to **stock** at a premises shown in the Declarations caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Condemnation Of Undamaged Stock shown in the Declarations.

Contaminant Clean-up Or Removal

We will pay the costs you incur to clean up or remove **contaminants** from land, water or air:

- A. at the premises shown in the Declarations and either inside or outside of a **building**; or
- B. if the **contaminants** were part of:
 - 1. **personal property**;
 - 2. **research and development property**; or
 - 3. **building components**,

while **in transit**,

if the discharge, dispersal, seepage, migration, release or escape of the **contaminants** is caused by or results from a peril not otherwise excluded.

The costs will be paid only if they are reported to us in writing within 180 days of the date the peril occurred which caused or resulted in the discharge, dispersal, seepage, migration, release or escape of the **contaminants**.

The most we will pay:

- at a premises shown in the Declarations; and

Reference Copy

Building And Personal Property For Life Sciences

Additional Coverages

Contaminant Clean-up Or Removal (continued)

- for any property **in transit**,

for all such covered costs that occur during each separate 12-month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy, is the applicable Limit Of Insurance for Contaminant Clean-up Or Removal shown in the Declarations.

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **contaminants**, other than payment for testing that is performed during the clean up or removal of the **contaminants** from the land, water or air, either inside or outside of a **building**.

This Additional Coverage does not apply if the discharge, dispersal, seepage, migration, release or escape of **contaminants**:

- is caused by or results from a peril that is excluded under this insurance; or
- occurred prior to the effective date shown in the Declarations.

Deferred Payments

We will pay for your interest in **personal property** that suffers direct physical loss or damage caused by or resulting from a peril not otherwise excluded and sold by you under a conditional sale or trust agreement or any installment or deferred payment plan:

- while **in transit** to buyers; or
- after delivery to buyers,

not to exceed the applicable Limit Of Insurance for Deferred Payments shown in the Declarations.

This Additional Coverage does not apply to default by the buyer of such agreement or plan.

This Additional Coverage applies only if a Limit Of Insurance for Deferred Payments is shown in the Declarations.

Exhibition, Fair Or Trade Show

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while:

- **in transit** to or from any exhibition, fair or trade show; or
- at any exhibition, fair or trade show,

not to exceed the applicable Limit Of Insurance for Personal Property shown under Exhibition, Fair Or Trade Show in the Declarations.

This Additional Coverage does not apply to:

- **electronic data processing property**; or
- **fine arts**.

This Additional Coverage applies only if a Limit Of Insurance for Personal Property is shown under Exhibition, Fair Or Trade Show in the Declarations.

Fire Protection Equipment

We will pay the cost you incur to refill your discharged fire protection equipment whether or not there is direct physical loss or damage to property.

Reference Copy

Additional Coverages

Fire Protection Equipment (continued)

This Additional Coverage is provided regardless of whether a Limit Of Insurance is shown in the Declarations.

Installation

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while such **personal property** is:

A. at a job site or temporarily warehoused elsewhere:

1. awaiting and during installation;
2. awaiting and during tests; or
3. awaiting acceptance by the buyer,

not to exceed the applicable Limit Of Insurance for Any Job Site shown under Installation in the Declarations; or

B. **in transit** to or from such job site or temporary warehouse, not to exceed the applicable Limit Of Insurance for In Transit shown under Installation in the Declarations.

We will not pay for any loss or damage to:

- **personal property** not a part of or destined to become part of the installation;
- tools; or
- **contractors' equipment**.

This Additional Coverage ends when the first of the following occurs:

- your interest in the **personal property** ceases;
- the buyer accepts the **personal property**;
- the **personal property** is put to use for its intended purpose; or
- this policy is terminated.

This Additional Coverage applies only if a Limit Of Insurance for Any Job Site or In Transit is shown under Installation in the Declarations.

In Transit

We will pay for direct physical loss or damage to:

A. **personal property, building components, research and development property** or **scientific animals** while **in transit**;

B. **personal property** being shipped FOB or on other similar terms after the title of a shipment passes to the consignee; or

C. **personal property** which has been refused by the consignee, from the time such property has been refused until:

1. the time such property is returned to your premises; or
2. 14 consecutive days after such property has been refused,

whichever occurs first,

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Personal Property, Building Components, Research And Development Property or Scientific Animals shown under In Transit in the Declarations.

Reference Copy

Building And Personal Property For Life Sciences

Additional Coverages

In Transit (continued)

We will not attempt to collect from the consignee, unless you:

- provide us with your written consent to do so; or
- assign us your right of action.

We will also pay for:

- A. the necessary additional expenses you incur to inspect, repackage and reship **personal property** damaged by a peril not otherwise excluded;
- B. general average and salvage charges that may be assessed against your covered **personal property** shipments that are waterborne; and
- C. loss or damage to **personal property** during loading and unloading of that property from a transporting conveyance, by a peril not otherwise excluded,

not to exceed the applicable Limit Of Insurance for Personal Property shown under In Transit in the Declarations.

This Additional Coverage does not apply:

- to any **personal property, building components or research and development property** while **in transit** to or from any exhibition, fair or trade show;
- to **salespersons' samples**;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance that covers any property **in transit**;
- to shipments by mail, unless registered;
- to **electronic data processing property**;
- to **fine arts**; or
- to loss or damage to any property insured under the International Air Shipments Additional Coverage.

International Air Shipments

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while being shipped by air to or from:

- the contiguous United States of America;
- Canada;
- the State of Alaska;
- the State of Hawaii;
- Puerto Rico; or
- territories or possessions of the United States of America or Canada,

and points worldwide, not to exceed the applicable Limit Of Insurance for Personal Property shown under International Air Shipments in the Declarations. This coverage applies from the delivery of **personal property** at the point of origin shown in the air waybill until it is discharged at the destination shown in the air waybill.

Reference Copy

Additional Coverages

International Air Shipments (continued)

This Additional Coverage does not apply:

- to **personal property** while being shipped by air to or from any exhibition, fair or trade show;
- if you have purchased separate ocean marine insurance which covers any **personal property** being shipped by air;
- to shipments by mail;
- if you are required to provide a negotiable special cargo policy of insurance to any seller, buyer or bank;
- to **electronic data processing property**;
- to **fine arts**; or
- to loss or damage to any property insured under the In Transit Additional Coverage.

Newly Acquired Property

We will pay for direct physical loss or damage to:

- **building** under construction at existing or newly acquired premises;
- **building, personal property** or **scientific animals** at newly acquired premises; or
- newly acquired **personal property** at existing premises shown in the Declarations,

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Building, Personal Property Or Scientific Animals shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This Additional Coverage applies until the first of the following occurs:

- you report the value of the **building, personal property** or **scientific animals** at the newly acquired premises to us and we add such **building, personal property** or **scientific animals** to this policy;
- you report the value of the newly acquired **personal property** at the existing premises shown in the Declarations, and we add such **personal property** to this policy;
- 180 days pass from the date you acquire the premises, **personal property** or **scientific animals**, or construction begins on the **building**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the premises, **personal property** or **scientific animals** or construction begins on the **building**, if we add such premises, **personal property** or **scientific animals** or **building** to this policy.

Personal property being moved from a vacated premises to a new premises is not considered newly acquired **personal property**.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses we require you to incur after covered direct physical loss or damage to:

- **building**;
- **scientific animals**;
- **personal property**;

Reference Copy

Building And Personal Property For Life Sciences

Additional Coverages

Preparation Of Loss Fees (continued)

- **personal property of employees;**
- **research and development property;** or
- **outdoor trees, shrubs, plants or lawns,**

to determine the extent of such loss or damage, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant, or attorney; or
- of your subsidiaries or affiliates.

Salespersons' Samples

We will pay for direct physical loss or damage to **salespersons' samples** caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Salespersons' Samples shown in the Declarations.

This Additional Coverage applies only if a Limit Of Insurance for Salespersons' Samples is shown in the Declarations.

Debris Removal Coverage

The following Debris Removal Coverage applies.

Debris Removal

- A. We will pay for the costs you incur to:
1. demolish and remove debris of damaged **building, personal property, personal property of employees, research and development property or scientific animals** caused by or resulting from a peril not otherwise excluded that occurs during the policy period; or
 2. remove debris of damaged **outdoor trees, shrubs, plants or lawns** at the premises shown in the Declarations, caused by or resulting from the perils of fire, lightning, explosion, riot or civil commotion or aircraft or self-propelled missiles that occurs during the policy period.
- B. The most we will pay for debris removal is the lesser of:
1. 25% of the covered direct physical loss or damage; or
 2. the remaining applicable Limit Of Insurance for Building, Personal Property, Personal Property Of Employees, Research and Development Property, Scientific Animals or Outdoor Trees, Shrubs, Plants Or Lawns shown in the Declarations, after payment of the covered direct physical loss or damage.
- C. If the amount in B. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance shown under Debris Removal in the Declarations.

We will also pay up to \$1,000 for the costs you incur at each premises to remove debris that is blown onto your premises by wind, if the wind would be covered by this insurance.

Reference Copy

Debris Removal Coverage

Debris Removal *(continued)*

- D. Debris removal will be paid only if:
1. reported to us in writing within 180 days of the date of the direct physical loss or damage to the **building, personal property, personal property of employees, research and development property, scientific animals or outdoor trees, shrubs, plants or lawns**; and
 2. a Limit Of Insurance applicable to the damaged **building, personal property, personal property of employees, research and development property, scientific animals or outdoor trees, shrubs, plants or lawns** is shown in the Declarations.
- E. Debris removal does not apply to costs to:
1.
 - a. clean up or remove **contaminants** from land, water or air;
 - b. clean up, remove, restore or replace covered property because of the presence of **contaminating agents**; or
 - c. clean up, remove, restore or replace contaminated land, water or air, either inside or outside of a **building**; or
 2. demolish and clear the site of the undamaged portion of the **building**.

Policy Exclusions

The following Policy Exclusions apply to all the coverages in this contract.

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This Acts Or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Business Errors

This insurance does not apply to loss or damage caused by or resulting from errors in the:

- altering;
 - calibrating;
 - constructing;
 - developing;
 - distributing;
 - installing;
 - manufacturing;
 - maintaining;
 - processing;
 - repairing;
 - researching; or
 - testing,
- of part or all of any property.

Reference Copy

Building And Personal Property For Life Sciences

Policy Exclusions

Business Errors (continued)

This Business Errors exclusion does not apply to:

- loss or damage that results to other covered property; or
- ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Change In Controlled Environment

This insurance does not apply to loss or damage to **perishable property** or **scientific animals**:

- which is a **change in constitution**; or
- caused by or resulting from a **change in controlled environment**, regardless of any other cause or event that directly or indirectly:
 - contributes concurrently to; or
 - contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Change In Controlled Environment exclusion does not apply to:

- loss or damage caused by or resulting from a **specified peril**; or
- ensuing loss or damage caused by or resulting from a **specified peril**.

Contaminants

This insurance does not apply to loss or damage caused by or resulting from the mixture of or contact between property and a **contaminant** when such mixture or contact causes the property to be impure and harmful to:

- itself or other property;
- persons, animals or plants;
- land, water or air; or
- any other part of an environment,

either inside or outside of a building or other structure, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Contaminants exclusion does not apply to:

- A. the mixture of or contact between property and **contaminants** if the mixture or contact is directly caused by or directly results from a **specified peril**;
- B. any solid, liquid or gas used to suppress fire;
- C. **water**; or
- D. the International Air Shipments Additional Coverage.

Reference Copy

Policy Exclusions

Contaminants (continued)

Paragraphs B and C do not apply to loss or damage involving:

- viruses or pathogens; or
- ammonia.

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest or criminal acts or omission committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to:

- A. acts of vandalism;
- B. acts committed by carriers or warehousemen for hire or anyone claiming to be a carrier or warehousemen for hire, other than:
 - 1. you, your partners, directors, trustees and employees;
 - 2. anyone performing acts coming within the scope of the usual duties of your employees; or
 - 3. anyone authorized to act for you; or
- C. ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Governmental Or Military Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to:

- A. loss or damage caused by or resulting from acts of destruction ordered by governmental or military authority:
 - 1. when taken at the time of a fire to prevent its spread, if the fire would be covered under this insurance; or
 - 2. if the act of destruction is made necessary by direct physical loss or damage to:
 - a. **personal property** while **in transit**; or
 - b. a conveyance in or on which **personal property** while **in transit** is loaded, caused by or resulting from a peril not otherwise excluded; and
 - B. the extent insurance is provided under the Condemnation Of Undamaged Stock Additional Coverage.
-

Reference Copy

Building And Personal Property For Life Sciences

Policy Exclusions (continued)

Inherent Vice/Latent Defect

This insurance does not apply to loss or damage caused by or resulting from inherent vice or latent defect.

This Inherent Vice/Latent Defect exclusion does not apply to:

- loss or damage caused by or resulting from a **specified peril**; or
- ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Insects Or Animals

This insurance does not apply to loss or damage caused by or resulting from nesting or infestation by, or discharge or release of waste products or secretions of any insect or other animal.

This Insects Or Animals exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Mechanical Breakdown (Other Than Abrupt And Accidental)

This insurance does not apply to loss or damage caused by or resulting from mechanical breakdown.

This Mechanical Breakdown (Other Than Abrupt And Accidental) exclusion does not apply to:

- A. abrupt and accidental breakdown of **mechanical or electrical system or apparatus** which causes direct physical loss or damage to all or part of that **mechanical or electrical system or apparatus** provided the direct physical loss or damage becomes manifest at the time of the breakdown that caused it.

Abrupt and accidental breakdown of **mechanical or electrical system or apparatus** does not include:

1. rust, oxidation or corrosion;
2. faulty, inadequate or defective design, plan, specifications or installation;
3. failure of **mechanical or electrical system or apparatus** to perform in accordance with plans or specifications; or
4. freezing caused by or resulting from weather conditions; or

- B. ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Nuclear Hazard exclusion does not apply to ensuing loss or damage to:

- **building;**
- **scientific animals;**
- **personal property;**

Reference Copy

Policy Exclusions

Nuclear Hazard (continued)

- **personal property of employees; or**
- **research and development property,**

caused by or resulting from fire, if the fire would be covered under this insurance and there is a law in effect in the jurisdiction where the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage.

Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- materials used in repair, construction, renovation or remodeling; or
- maintenance,

of part or all of any property on or off the premises shown in the Declarations.

This Planning, Design, Materials Or Maintenance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Utility Supply Failure

This insurance does not apply to loss or damage caused by or resulting from suspension or reduction of:

- water services;
- electrical or other power services;
- natural gas or other fuel services; or
- Internet or other communication services,

regardless of any other cause or event that:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Utility Supply Failure exclusion does not apply:

- if the suspension or reduction of such services is the direct result of direct physical loss or damage caused by or resulting from a peril not otherwise excluded; or
- to ensuing loss or damage caused by or resulting from a **specified peril**.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

Reference Copy

Building And Personal Property For Life Sciences

Policy Exclusions

War And Military Action (continued)

- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these, regardless of any other cause or event that directly or indirectly:
 - contributes concurrently to; or
 - contributes in any sequence to,
- the loss or damage, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or deterioration.

This Wear And Tear exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Additional Exclusions

The following Additional Exclusions apply to all coverages in this contract except:

- In Transit Additional Coverage;
- International Air Shipments Additional Coverage;
- Research And Development Property Premises Coverage; and
- Salespersons' Samples Additional Coverage.

Disappearance

This insurance does not apply to loss or damage caused by or resulting from:

- disappearance; or
- shortage disclosed on taking inventory,

where there is no physical evidence to show what happened.

This Disappearance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Earthquake

This insurance does not apply to loss or damage caused by or resulting from earthquake, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Earthquake exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Reference Copy

Additional Exclusions

(continued)

Errors In Systems Programming

This insurance does not apply to loss or damage caused by or resulting from:

- A. errors or omissions in the development of, programming of, or instructions to:
 - 1. **electronic data processing property**; or
 - 2. a machine; or
- B. **electronic data** which is faulty, inadequate or defective for the use intended at the time of loss or damage.

This Errors In Systems Programming exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Flood

This insurance does not apply to loss or damage caused by or resulting from:

- waves, tidal water or tidal waves; or
 - rising, overflowing or breaking of any boundary,
- of any natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not, regardless of any other cause or event that directly or indirectly:
- contributes concurrently to; or
 - contributes in any sequence to,
- the loss or damage, even if such other cause or event would otherwise be covered.

This Flood exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Settling

This insurance does not apply to loss or damage caused by or resulting from settling, cracking, shrinking, bulging or expansion of land, paved or concrete surfaces, foundations, pools, **buildings** or other structures.

This Settling exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Research And Development Property Additional Exclusion

The following exclusion applies to Research And Development Property Premises Coverage:

Earthquake In The State Of California

This insurance does not apply to loss or damage caused by or resulting from earthquake, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Reference Copy

Building And Personal Property For Life Sciences

Research And Development Property Additional Exclusion

Earthquake In The State Of California (continued)

This Earthquake exclusion:

- applies only in the state of California, unless otherwise stated; and
- does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Scientific Animals Additional Exclusion

The following exclusion applies to **scientific animals**:

Sickness, Disease Or Death

This insurance does not apply to sickness, disease or death caused by or resulting from:

- experimentation;
- natural causes; or
- intentional or humane destruction.

Limits Of Insurance

Except as provided under Contaminant Clean-up Or Removal, the most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Premises Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such coverages is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Premises Coverage or Additional Coverage appears.

Building Extended Limit Of Insurance

If an Extended Limit Of Insurance for Building is shown in the Declarations, the most we will pay in any **occurrence** is the amount of loss or damage, not to exceed 125% of the applicable Limit Of Insurance for Building shown in the Declarations.

The Extended Limit Of Insurance for Building:

- applies only to a premises shown in the Declarations for which the Extended Limit Of Insurance is shown; and
- does not apply to any Limit Of Insurance applicable to more than one **building** or **building** and any other coverage combined.

Automatic Increase In Limits

The Limits Of Insurance for Building or Personal Property will automatically increase by the annual percentage shown in the Declarations under Automatic Increase In Limits. At the time of loss or damage, the amount of increase will be determined by multiplying the applicable Limit Of Insurance shown in the Declarations by the percentage of annual increase applied on a pro rata basis.

This Automatic Increase In Limits:

- A. applies only to a premises shown in the Declarations for which the Automatic Increase In Limits is shown; and

Reference Copy

Limits Of Insurance

Automatic Increase In Limits (continued)

- B. does not apply to any Limit of Insurance applicable to:
1. more than one **building**;
 2. **personal property** in more than one **building**;
 3. **building** and **personal property** combined; or
 4. **building** or **personal property** combined with any other coverage.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage, after application of Coinsurance if applicable, in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The following Loss Payment Basis provisions apply to all coverages contained within this contract, unless otherwise stated.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. covered property is valued on a replacement cost basis as described below, unless:
1. the Loss Payment Basis shown in the Declarations is Actual Cash Value; or
 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. valuation also includes, for **building** or **personal property**, costs you incur as described below under Ordinance Or Law, Construction Fees, Brands And Labels and Extended Warranties.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option, we will either:

- pay the covered value of the lost or damaged covered property;
- pay the cost of repairing or replacing the lost or damaged covered property plus any reduction in value of the repaired item;
- take all or any part of the covered property at an agreed or appraised value; or
- repair or replace the covered property with other such property of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

Lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage, but not more than you actually spend to repair or replace such property at the same or another location for the same use or occupancy. There is no deduction for physical deterioration or depreciation.

If you replace the lost or damaged covered property, the valuation will include customs duties incurred.

Reference Copy

Building And Personal Property For Life Sciences

Loss Payment Basis

Replacement Cost Basis (continued)

If you do not repair or replace the covered property, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged covered property within 24 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the:

- replacement cost at the time of loss or damage; or
- actual costs you incur to repair or replace.

Payment under the Replacement Cost Basis will not be made until the completion of the repairs or the replacement of the covered property.

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is Actual Cash Value, lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Ordinance Or Law

If there is an ordinance or law in effect at the time of loss or damage that regulates zoning, land use or construction of a **building** or **personal property**, and if that ordinance or law affects the repair or replacement of the lost or damaged **building** or **personal property**, and if you:

- A. repair or replace the **building** or **personal property** as soon as reasonably possible, the valuation will include:
 1. a. the replacement cost of the damaged and undamaged portions of the **building** or **personal property**; or
 - b. the actual cash value of the damaged and undamaged portions of the **building** or **personal property** (if the applicable Loss Payment Basis shown in the Declarations is Actual Cash Value);
 2. the costs to demolish and clear the site of the undamaged portion of the **building** or **personal property**; and
 3. the increased cost to repair or replace the **building** to the same general size at the same site or **personal property** for the same general use, to the minimum standards of such ordinance or law, except we will not include any costs:
 - a. for land, water or air, either inside or outside of a **building**;
 - b. for paved or concrete surfaces, retaining walls, foundations or supports below the surface of the lowest floor or basement, unless specifically covered by this policy, or **outdoor trees, shrubs, plants or lawns**;
 - c. incurred outside the legal property boundary of the premises shown in the Declarations;
 - d. if **building** or **personal property** is valued on an actual cash value basis; or

Reference Copy

Loss Payment Basis

Ordinance Or Law (continued)

- e. attributable to any ordinance or law that you were required to, but failed to, comply with before the loss; or
- B. do not repair or replace the **building** or **personal property**, the valuation will include:
 - 1. the actual cash value of the damaged and undamaged portions of the **building** or **personal property**; and
 - 2. the cost to demolish and clear the site of the undamaged portion of the **building** or **personal property**.

When direct physical loss or damage is caused by or results from both:

- a peril not otherwise excluded; and
- an excluded peril,

the valuation will not include the Ordinance Or Law costs attributable to the excluded peril. Instead, the valuation will be based on that portion of such costs equal to the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage, not including Ordinance Or Law costs, unless the Ordinance Or Law applies solely to that portion of the **building** or **personal property** which suffered the covered direct physical loss or damage.

This Loss Payment Basis does not apply to:

- any costs for undamaged **tenant's improvements and betterments** that are payable under the Leasehold Interest - Undamaged Tenant's Improvements and Betterments Premises Coverage;
- any increase in costs, loss or damage associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **contaminants**; or
- loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Ordinance Or Law Loss Payment Basis does not apply to the Contaminant Clean-up Or Removal Premises Coverage.

If a maximum value for ordinance or law is shown in the Declarations, then, subject to the applicable Limits Of Insurance shown in the Declarations, such maximum value is the most we will consider under Ordinance Or Law.

Reference Copy

Building And Personal Property For Life Sciences

Loss Payment Basis (continued)

Construction Fees

Building and personal property valuation includes necessary and incurred architectural, engineering, consulting, decorating and supervisory fees related to the construction and repair of the lost or damaged **building and personal property**.

Brands And Labels

Personal property valuation includes the cost of:

- replacing labels, capsules, wrappers or containers from lost or damaged **personal property**; or
- identifying and reconditioning lost or damaged **personal property**.

In the event of loss or damage to **stock**, you have two options when:

- you do not want to sell your lost or damaged **stock** under your brand or label; or
- the owner of any lost or damaged **stock** in your care, custody or control does not want to sell that lost or damaged **stock** under the owner's brand or label,

even though the lost or damaged **stock** has salvage value, you may:

- remove the brand or label and then relabel the lost or damaged **stock** to comply with the law; or
- label the lost or damaged **stock** as "salvage" but, in doing so, cause no further loss or damage to the **stock**.

In either case, the **personal property** valuation will include the difference between:

- the salvage value of the lost or damaged **stock** with the brand or label attached; and
- the salvage value of the lost or damaged **stock** with the brand or label removed.

Extended Warranties

Personal property or **building components** valuation includes the pro rata portion of the original cost based on the period of time remaining in your nonrefundable extended warranties, maintenance contracts or service contracts that you purchased and which are no longer valid on lost or damaged:

- **personal property**; or
- **building components** consisting of permanently installed, or intended to be permanently installed, machinery and equipment,

that you repair or replace.

Scientific Animals

Scientific animals, other than **scientific animals** held for sale, are valued based on:

- the cost to purchase a replacement animal of the same kind and quality prior to any research and development expenses associated with that animal; and
- any increase in an animal's value as a result of your **research and development operations**.

Scientific animals held for sale are valued based on your selling price, less the value of discounts and costs you would have incurred.

Reference Copy

Loss Payment Basis Exceptions

Accounts Receivable Records And Valuable Papers

Accounts receivable records and **valuable papers**, are valued based on the cost of blank materials and the cost of copying from a duplicate source on the same type of materials.

Deferred Payments

When a total loss occurs, coverage for Deferred Payments is valued based on the amount shown on your books as due from the buyer.

When partial loss or damage occurs and the buyer refuses to continue payment, forcing you to repossess, coverage for Deferred Payments will be valued as follows:

If the realized value of the repossessed **personal property** is:

- greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
- less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due by more than 30 days.

Finished Stock And Sold Personal Property

Finished stock and sold **personal property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred.

Gold, Gold Salts And Other Precious Metals

Gold, gold salts and other precious metals are valued based on the average market cost for replacement as published by the American Metals Market during the period of 10 business days immediately preceding the date of loss or damage, or the actual sum you pay for replacement, whichever is less.

Nuclear Hazard

Building, personal property, personal property of employees, or research and development property which suffers direct physical loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination, is valued on an actual cash value basis, subject to all other exceptions described under Loss Payment Basis Exceptions.

Scientific Animals, Personal Property And Research And Development Property Not Owned By You

Scientific animals, personal property and **research and development property** not owned by you is valued on the same basis as **scientific animals, personal property** and **research and development property**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Labor, materials and services that you furnish or arrange on **personal property** not owned by you is valued based on the actual cost of the labor, materials and services.

Stock In Process

Stock in process is valued based on the cost of raw materials and costs expended as of the date of loss or damage.

Reference Copy

Building And Personal Property For Life Sciences

Loss Payment Basis Exceptions

(continued)

Undamaged Tenant's Improvements And Betterments

Undamaged **tenant's improvements and betterments** are valued based on:

- the cost to replace undamaged **tenant's improvements and betterments** at the time of loss or damage at another site if you commence replacement within 24 months following the termination of your lease; or
- the **unamortized** portion of their original cost to you if you do not replace undamaged **tenant's improvements and betterments**.

Loss Payment Limitations

Electronic Data

We will not pay for any loss or damage to **electronic data**, unless such loss or damage is caused by or results from:

- aircraft;
- explosion;
- falling objects;
- fire;
- freezing;
- leakage from fire protection equipment;
- lightning;
- riot or civil commotion;
- **sinkhole collapse**;
- smoke;
- vehicles;
- weight of snow; or
- windstorm or hail.

Loss Of Market

We will not pay for any loss or damage that results from loss of market, loss of use or delay.

Property You Do Not Repair Or Replace

We will not pay for:

- **scientific animals**;
- **research and development property**; or
- **personal property**, which is **research and development property**,

you do not repair or replace.

This Loss Payment Limitation does not apply to **scientific animals** held for sale.

Reference Copy

**Loss Payment
Limitations**
(continued)

Prototypes

When production of a new product begins, coverage under this contract ceases for:

- the **prototype** of that product; and
- the research project directly associated with the new product.

**Suspension, Lapse Or
Cancellation Of Any
License**

Leasehold Interest insurance does not apply to loss caused by or resulting from the suspension, lapse or cancellation of any license.

**Tenant's Improvements
And Betterments**

We will not pay for that part of any lost or damaged **tenant's improvements and betterments** which is paid by others.

**Conditions (Including
Coverage Territory)**

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions are shown in the Additional Conditions section of this contract.

Additional Condition

**Building Or Personal
Property Coinsurance**

Coinsurance applies to **building** or **personal property** only when a coinsurance percentage under Building or Personal Property is shown in the Declarations.

Coinsurance does not apply to:

- **personal property** or **building components** while **in transit**;
- **building** or **personal property** at any premises not shown in the Declarations; or
- any covered loss of \$100,000 or less.

If coinsurance applies, our maximum loss payment will be determined as follows:

- determine the value of the covered **building** or **personal property** at the time of loss or damage in accordance with the applicable Loss Payment Basis as provided under Loss Payment Basis;
- multiply the value determined in step A. by the applicable coinsurance percentage shown in the Declarations;
- divide the applicable Limit Of Insurance for Building or Personal Property shown in the Declarations by the amount determined in step B.;
- multiply the total amount of the covered loss or damage, before the application of any deductible, by the percentage determined in step C.; and
- subtract the deductible from the amount determined in step D.

The amount determined in step E. is the most we will pay for loss or damage, not to exceed the applicable Limit Of Insurance for Building or Personal Property shown in the Declarations.

Reference Copy

Building And Personal Property For Life Sciences

Additional Condition

Building Or Personal Property Coinsurance (continued)

If coinsurance applies and the **building** or **personal property** is valued on a replacement cost basis and if you do not repair or replace the **building** or **personal property**, we will pay you the lesser of:

- the actual cash value of the lost or damaged **building** or **personal property**; or
- the replacement cost of the lost or damaged **building** or **personal property** after application of coinsurance.

If you commence the repair or replacement of the lost or damaged **building** or **personal property** within 24 months from the date of the loss or damage, and if the payment made above was on an actual cash value basis, then we will pay the difference between the previous payment and the lesser of the replacement cost of the lost or damaged **building** or **personal property** at the time of:

- loss or damage; or
- actual replacement,

after the application of coinsurance.

Coinurance will apply to the total values of all **building** and **personal property** if one Limit Of Insurance for Building or Personal Property applies to:

- more than one **building**;
- **personal property** at more than one premises; or
- **buildings** and **personal property** at one or more premises.

If **personal property** is insured with a separate Limit Of Insurance for **personal property** at each premises, you may elect to have coinsurance applied in either of the following ways at the time of loss or damage:

- at the premises where the loss occurred; or
- based on the total value of all **personal property** at all premises where a Limit Of Insurance for Personal Property is shown in the Declarations.

If the application of coinsurance results in a penalty to you, at the time of loss adjustment, you may change the Loss Payment Basis from a replacement cost basis to an actual cash value basis, if such action will increase your loss payment and reduce the coinsurance penalty.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy.

Reference Copy

Property Insurance**Change In Controlled Environment For Life Sciences****Table Of Contents**

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Change In Controlled Environment For Life Sciences

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy and the Amended Definitions section of this contract.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Premises Coverages (Property And Business Income)

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, the loss or damage must:

- be a **change in constitution**; or
- be caused by or result from a **change in controlled environment**; and
- occur at the premises shown in the Declarations.

Change In Controlled Environment – Perishable Property

We will pay for:

- A. direct physical loss or damage to **perishable property**:
 - 1. which is a **change in constitution**; or
 - 2. caused by or resulting from a **change in controlled environment**; and
- B. the actual:
 - 1. **business income** loss you incur due to the actual impairment of your **operations**; and
 - 2. **extra expense** you incur due to the actual or potential impairment of your **operations**,during the **period of restoration**, caused by or resulting from direct physical loss or damage to **perishable property**:
 - which is a **change in constitution**; or
 - caused by or resulting from a **change in controlled environment**,

not to exceed the applicable Limit Of Insurance for Change In Controlled Environment – Perishable Property shown in the Declarations.

Change In Controlled Environment – Scientific Animals

We will pay for:

- A. direct physical loss or damage to **scientific animals** caused by or resulting from a **change in controlled environment**; and
- B. the actual:
 - 1. **business income** loss you incur due to the actual impairment of your **operations**; and
 - 2. **extra expense** you incur due to the actual or potential impairment of your **operations**,

Reference Copy

Premises Coverages (Property And Business Income)

Change In Controlled Environment – Scientific Animals (continued)

during the **period of restoration**, caused by or resulting from direct physical loss or damage to **scientific animals** caused by or resulting from a **change in controlled environment**,
not to exceed the applicable Limit Of Insurance for Change In Controlled Environment – Scientific Animals shown in the Declarations.

Premises Coverage (Property)

Removal

We will pay for direct physical loss or damage to **perishable property** or **scientific animals** while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move the:

- A. **perishable property** from such location to preserve it from imminent loss or damage:
 - 1. which is a **change in constitution**; or
 - 2. caused by or resulting from a **change in controlled environment**; or
- B. **scientific animals** from such location to preserve them from imminent loss or damage caused by or resulting from a **change in controlled environment**,

not to exceed the applicable Limit Of Insurance for Change In Controlled Environment – Perishable Property or Change In Controlled Environment – Scientific Animals shown in the Declarations.

Additional Coverages (Property)

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for direct physical loss or damage to:

- A. **perishable property**:
 - 1. which is a **change in constitution**; or
 - 2. caused by or resulting from a **change in controlled environment**; or
- B. **scientific animals** caused by or resulting from a **change in controlled environment**,

at unspecified premises, not to exceed the applicable Limit Of Insurance for Any Other Location shown under:

- Change In Controlled Environment – Perishable Property; or
 - Change In Controlled Environment – Scientific Animals,
- in the Declarations.

Reference Copy

Change In Controlled Environment For Life Sciences

Additional Coverages (Property)

Any Other Location (continued)

This Additional Coverage does not apply to **perishable property** or **scientific animals**:

- at any exhibition, fair or trade show;
- at a newly acquired premises; or
- while **in transit**.

This Additional Coverage applies only if a Limit Of Insurance for Any Other Location is shown under:

- Change In Controlled Environment – Perishable Property; or
 - Change In Controlled Environment – Scientific Animals,
- in the Declarations.

Condemnation Of Undamaged Stock

We will pay for the consequential loss to undamaged **stock** provided such **stock**:

- has been condemned; or
- is the subject of a written request that it be withheld from the market,

by a governmental authority because of direct physical loss or damage to **stock** at a premises shown in the Declarations:

- which is a **change in constitution**; or
- caused by or resulting from a **change in controlled environment**,

not to exceed the applicable Limit Of Insurance for Condemnation of Undamaged Stock shown in the Declarations.

In Transit

We will pay for direct physical loss or damage to **perishable property**:

- A. while **in transit**;
 - B. being shipped FOB or on other similar terms after the title of a shipment passes to the consignee; or
 - C. which has been refused by the consignee, from the time such property has been refused, until:
 - 1. the time such property is returned to your premises; or
 - 2. 14 consecutive days after such property has been refused,whichever occurs first,
- which is:

- a **change in constitution**; or
- caused by or resulting from a **change in controlled environment**,

not to exceed the applicable Limit Of Insurance for In Transit shown under Change In Controlled Environment – Perishable Property in the Declarations.

Reference Copy

Additional Coverages (Property)

In Transit (continued)

We will also pay for direct physical loss or damage to **scientific animals**:

- A. while **in transit**;
- B. being shipped FOB or on other similar terms after the title of a shipment passes to the consignee; or
- C. which has been refused by the consignee, from the time such property has been refused, until:
 - 1. the time such property is returned to your premises; or
 - 2. 14 consecutive days after such property has been refused,whichever occurs first,

caused by or resulting from a **change in controlled environment**, not to exceed the applicable Limit Of Insurance for In Transit shown under Change In Controlled Environment – Scientific Animals in the Declarations.

We will not attempt to collect from the consignee, unless you:

- provide us with your written consent to do so; or
- assign us your right of action.

We will also pay for:

- the necessary additional expenses you incur to inspect, repackage and reship **perishable property** or **scientific animals** that suffer covered direct physical loss or damage;
- general average and salvage charges that may be assessed against your covered **perishable property** or **scientific animals** shipments that are waterborne; and
- loss or damage to **perishable property** or **scientific animals** during loading and unloading of that property from a transporting conveyance that suffer covered direct physical loss or damage,

not to exceed the applicable Limit Of Insurance for In Transit shown under Change In Controlled Environment – Perishable Property or Change In Controlled Environment – Scientific Animals in the Declarations.

This Additional Coverage does not apply:

- to any **perishable property** or **scientific animals** while **in transit** to or from any exhibition, fair or trade show;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance that covers any property **in transit**; or
- to shipments by mail, unless registered.

Newly Acquired Property

We will pay for direct physical loss or damage to:

- A. **perishable property** at newly acquired premises or newly acquired **perishable property** at existing premises:
 - 1. which is a **change in constitution**; or

Reference Copy

Change In Controlled Environment For Life Sciences

Additional Coverages (Property)

Newly Acquired Property (continued)

2. caused by or resulting from a **change in controlled environment**; or
- B. **scientific animals** at newly acquired premises or newly acquired **scientific animals** at existing premises caused by or resulting from a **change in controlled environment**,

not to exceed the applicable Limit Of Insurance for Change In Controlled Environment – Perishable Property or Scientific Animals shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This Additional Coverage applies until the first of the following occurs:

- you report the value of the **perishable property** or **scientific animals** at the newly acquired premises to us and we add such **perishable property** or **scientific animals** to this policy;
- you report the value of the newly acquired **perishable property** or **scientific animals** at the existing premises shown in the Declarations, and we add such **perishable property** or **scientific animals** to this policy;
- 180 days pass from the date you acquire the premises or **perishable property** or **scientific animals**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the premises or **perishable property** or **scientific animals** if we add such premises or **perishable property** or **scientific animals** to this policy.

Perishable property or **scientific animals** being moved from a vacated premises to a new premises is not considered newly acquired **perishable property** or **scientific animals**.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses we require you to incur after covered direct physical loss or damage to:

- **perishable property**; or
- **scientific animals**,

to determine the extent of such loss or damage, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant, or attorney; or
- of your subsidiaries or affiliates.

Premises Coverages (Business Income And Extra Expense)

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, direct physical loss or damage must:

- be a **change in constitution**; or
- be caused by or result from a **change in controlled environment**; and
- occur at the premises shown in the Declarations.

Reference Copy

**Premises Coverages
(Business Income
And Extra Expense)**
(continued)

**Newly Acquired
Research And
Development Income**

We will pay for the actual **business income** loss you incur due to the loss of **research and development income** acquired pursuant to any written agreement executed after the inception of this policy, which results from the actual impairment of your **research and development operations** during the **period of restoration**.

This actual impairment of **research and development operations** must be caused by or result from direct physical loss or damage to:

- A. **perishable property**:
 - 1. which is a **change in constitution**; or
 - 2. caused by or resulting from a **change in controlled environment**; or
- B. **scientific animals** caused by or resulting from a **change in controlled environment**.

This Premises Coverage:

- A. applies only at those premises:
 - 1. where you incur a **research and development income** loss; and
 - 2. for which a Limit Of Insurance for Change In Controlled Environment – Perishable Property or Change In Controlled Environment – Scientific Animals is shown in the Declarations;
- B. is subject to the applicable Limit Of Insurance for:
 - 1. Change In Controlled Environment – Perishable Property or Change In Controlled Environment – Scientific Animals shown in the Declarations; or
 - 2. Newly Acquired Research And Development Income shown under Business Income in the Declarations;whichever is less; and
- C. applies until the first of the following occurs:
 - 1. you notify us of how you want coverage to apply to newly acquired **research and development income** for your **research and development operations** at the premises shown in the Declarations, and we agree to provide such coverage;
 - 2. 90 days pass from the date the written agreement is executed; or
 - 3. this policy expires.

If we agree to provide such coverage, we will charge you additional premium from the date you executed the agreement. Such additional premium will be based on:

- the current worksheet you provide; and
- the modification in the Limits Of Insurance you request.

New Product Delay

We will pay for the actual **business income** loss you incur and discover after lost or damaged **perishable property** or **scientific animals** directly related to your **research and development operations** is repaired or replaced and your **research and development operations** are restored, with reasonable speed to the condition that would have existed if no direct physical loss or damage occurred.

Reference Copy

Change In Controlled Environment For Life Sciences

Premises Coverages (Business Income And Extra Expense)

New Product Delay (continued)

Such payment will be made:

- only if you discover the **business income** loss within 24 months after the date of the direct physical loss or damage;
- only after the new product or the enhanced product is made available in the market-place; and
- for the period equal to the length of time it originally took to restore such lost or damaged **perishable property** or **scientific animals** with reasonable speed.

If a competitor introduces a similar product prior to the date you scheduled the introduction of your new or enhanced product, we will reduce the amount of such actual **business income** loss to the extent attributable to the competitor's product.

The **business income** loss must:

- A. be caused by or result from direct physical loss or damage to:
 - 1. **perishable property**:
 - a. which is a **change in constitution**; or
 - b. caused by or resulting from a **change in controlled environment**; or
 - 2. **scientific animals** caused by or resulting from a **change in controlled environment**; and
- B. result in a delay in the introduction of any new product or the enhancement of any existing product.

The most we will pay for New Product Delay is the applicable Limit Of Insurance for Change In Controlled Environment – Perishable Property or Change In Controlled Environment – Scientific Animals shown in the Declarations.

Additional Coverages (Business Income And Extra Expense)

The following Additional Coverages apply within the coverage territory.

Condemnation Of Undamaged Stock

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Condemnation Of Undamaged Stock shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from the consequential loss to undamaged **stock** consisting of **perishable property** provided such **stock** consisting of **perishable property**:

- has been condemned; or

Reference Copy

Additional Coverages (Business Income And Extra Expense)

Condemnation Of Undamaged Stock (continued)

- is the subject of a written request that it be withheld from the market, by a governmental authority because of direct physical loss or damage to **stock** consisting of **perishable property** at a premises shown in the Declarations:
- which is a **change in constitution**; or
- caused by or resulting from a **change in controlled environment**.

Newly Acquired Premises

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**, during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown under Newly Acquired Premises.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage to:

A. **perishable property**:

1. which is a **change in constitution**; or
2. caused by or resulting from a **change in controlled environment**; or

B. **scientific animals** caused by or resulting from a **change in controlled environment**,

at each newly acquired premises. This Additional Coverage applies until the first of the following occurs:

- you notify us of how you want coverage to apply to the newly acquired premises and we add such premises to this policy;
- 180 days pass from the date you acquire the premises; or
- this policy expires.

We will charge you additional premium from the date you acquire the premises, if we add such premises to this policy.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses and fees incurred following covered loss or damage to certify your **business income** loss or **extra expense**, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown under Business Income in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant or attorney; or
 - of your subsidiaries or affiliates.
-

Reference Copy

Change In Controlled Environment For Life Sciences

Debris Removal Coverage

The following Debris Removal Coverage applies.

Debris Removal

- A. We will pay for the costs you incur to demolish and remove debris of damaged:
1. **perishable property**:
 - a. which is a **change in constitution**; or
 - b. caused by or resulting from a **change in controlled environment**; or
 2. **scientific animals** caused by or resulting from a **change in controlled environment**, that occurs during the policy period.
- B. The most we will pay for debris removal is the lesser of:
1. 25% of the covered direct physical loss or damage; or
 2. the remaining applicable Limit Of Insurance for Change In Controlled Environment – Perishable Property or Change In Controlled Environment – Scientific Animals shown in the Declarations, after payment of the covered direct physical loss or damage.
- C. If the amount in B. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to 10 percent of the applicable Limit Of Insurance for Change In Controlled Environment – Perishable Property or Change In Controlled Environment – Scientific Animals shown in the Declarations.
- D. Debris removal will be paid only if:
1. reported to us in writing within 180 days of the date of the direct physical loss or damage to the **perishable property** or **scientific animals**; and
 2. a Limit Of Insurance applicable to the damaged **perishable property** or **scientific animals** is shown in the Declarations.
- E. Debris removal does not apply to costs to:
- clean up or remove **contaminants** from land, water or air;
 - clean up, remove, restore or replace covered property because of the presence of **contaminating agents**; or
 - clean up, remove, restore or replace contaminated land, water or air,
- either inside or outside of a **building**.

Policy Exclusions

The following Policy Exclusions apply to all the coverages in this contract.

Acts Or Decisions

This insurance does not apply to a **change in controlled environment** caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

Reference Copy

Policy Exclusions

(continued)

Business Errors

This insurance does not apply to a **change in controlled environment** caused by or resulting from errors in the:

- altering;
- calibrating;
- constructing;
- developing;
- distributing;
- installing;
- manufacturing;
- maintaining;
- processing;
- repairing;
- researching; or
- testing,

of part or all of any property.

This Business Errors exclusion does not apply to a **change in controlled environment** that results to other covered property.

Contamination

This insurance does not apply to a **change in controlled environment** caused by or resulting from the mixture of or contact between property and a **contaminant** when such mixture or contact causes the property to be impure and harmful to:

- itself or other property;
- persons, animals or plants;
- land, water or air; or
- any other part of an environment,

either inside or outside of a building or other structure, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the **change in controlled environment**, even if such other cause or event would otherwise be covered.

Reference Copy

Change In Controlled Environment For Life Sciences

Policy Exclusions

(continued)

Errors In Systems Programming

This insurance does not apply to a **change in controlled environment** caused by or resulting from:

- A. errors or omissions in the development of, programming of, or instructions to:
 - 1. **electronic data processing property**; or
 - 2. a machine; or
- B. **electronic data** which is faulty, inadequate or defective for the use intended at the time of loss or damage.

Governmental Or Military Action

This insurance does not apply to a **change in controlled environment** caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the **change in controlled environment**, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to the extent insurance is provided under the Condemnation Of Undamaged Stock Additional Coverage.

Inherent Vice/Latent Defect

This insurance does not apply to a **change in controlled environment** caused by or resulting from inherent vice or latent defect.

Loss Or Damage By Specified Peril

This insurance does not apply to:

- a **change in controlled environment**; or
- ensuing loss or damage,

caused by or resulting from a **specified peril**.

Mechanical Breakdown (Other Than Abrupt And Accidental)

This insurance does not apply to a **change in controlled environment** caused by or resulting from mechanical breakdown.

This Mechanical Breakdown (Other Than Abrupt And Accidental) exclusion does not apply to abrupt and accidental breakdown of **mechanical or electrical system or apparatus** which causes direct physical loss or damage to all or part of that **mechanical or electrical system or apparatus** provided the direct physical loss or damage becomes manifest at the time of the breakdown that caused it.

Reference Copy

Policy Exclusions

Mechanical Breakdown (Other Than Abrupt And Accidental) (continued)

Abrupt and accidental breakdown of **mechanical or electrical system or apparatus** does not include:

- rust, oxidation or corrosion;
- faulty, inadequate or defective design, plan, specifications or installation;
- failure of **mechanical or electrical system or apparatus** to perform in accordance with plans or specifications; or
- freezing caused by or resulting from weather conditions.

Nuclear Hazard

This insurance does not apply to a **change in controlled environment** caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the **change in controlled environment**, even if such other cause or event would otherwise be covered.

Planning, Design, Materials Or Maintenance

This insurance does not apply to a **change in controlled environment** (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- materials used in repair, construction, renovation or remodeling; or
- maintenance,

of part or all of any property on or off the premises shown in the Declarations.

Utility Supply Failure

This insurance does not apply to a **change in controlled environment** caused by or resulting from suspension or reduction of:

- water services;
- electrical or other power services;
- natural gas or other fuel services; or
- Internet or other communication services,

regardless of any other cause or event that:

- contributes concurrently to; or
- contributes in any sequence to,

the **change in controlled environment**, even if such other cause or event would otherwise be covered.

Reference Copy

Change In Controlled Environment For Life Sciences

Policy Exclusions

Utility Supply Failure (continued)

This Utility Supply Failure exclusion does not apply if the suspension or reduction of such services is the direct result of direct physical loss or damage caused by or resulting from a peril covered in the Building And Personal Property For Life Sciences Contract included in this policy.

War And Military Action

This insurance does not apply to a **change in controlled environment** caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the **change in controlled environment**, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to a **change in controlled environment** caused by or resulting from wear and tear or deterioration.

Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Premises Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such coverages is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Premises Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage, after application of Coinsurance if applicable, in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Reference Copy

Loss Payment Basis

The following Loss Payment Basis provisions apply to all coverages contained within this contract, unless otherwise stated.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. covered property is valued on a replacement cost basis as described below, unless:
 - 1. the Loss Payment Basis shown in the Declarations is Actual Cash Value; or
 - 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. valuation also includes, for **perishable property**, costs you incur as described below under Brands And Labels and Extended Warranties.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option, we will either:

- pay the covered value of the lost or damaged covered property;
- pay the cost of repairing or replacing the lost or damaged covered property plus any reduction in value of the repaired item;
- take all or any part of the covered property at an agreed or appraised value; or
- repair or replace the covered property with other such property of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

Lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage, but not more than you actually spend to repair or replace such property at the same or another location for the same use or occupancy. There is no deduction for physical deterioration or depreciation.

If you replace the lost or damaged covered property, the valuation will include customs duties incurred.

If you do not repair or replace the covered property, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged covered property within 24 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the:

- replacement cost at the time of loss or damage; or
- actual costs you incur to repair or replace.

Payment under the Replacement Cost Basis will not be made until the completion of the repairs or the replacement of the covered property.

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is Actual Cash Value, lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
 - physical depreciation;
 - obsolescence; and
 - depletion.
-

Reference Copy

Change In Controlled Environment For Life Sciences

Loss Payment Basis (continued)

Brands And Labels

Perishable property valuation includes the cost of:

- replacing labels, capsules, wrappers or containers from lost or damaged **perishable property**; or
- identifying and reconditioning lost or damaged **perishable property**.

In the event of loss or damage to **stock**, you have two options when:

- you do not want to sell your lost or damaged **stock** under your brand or label; or
- the owner of any lost or damaged **stock** in your care, custody or control does not want to sell that lost or damaged **stock** under the owner's brand or label,

even though the lost or damaged **stock** has salvage value, you may:

- remove the brand or label and then relabel the lost or damaged **stock** to comply with the law; or
- label the lost or damaged **stock** as "salvage" but, in doing so, cause no further loss or damage to the **stock**.

In either case, the **perishable property** valuation will include the difference between:

- the salvage value of the lost or damaged **stock** with the brand or label attached; and
- the salvage value of the lost or damaged **stock** with the brand or label removed.

Extended Warranties

Perishable property valuation includes the pro rata portion of the original cost based on the period of time remaining in your nonrefundable extended warranties, maintenance contracts or service contracts that you purchased and which are no longer valid on lost or damaged **perishable property** that you repair or replace.

Loss Payment Basis Exceptions

Finished Stock And Sold Personal Property

Finished stock and sold **perishable property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred.

Gold, Gold Salts And Other Precious Metals

Gold, gold salts and other precious metals are valued based on the average market cost for replacement as published by the American Metals Market during the period of 10 business days immediately preceding the date of loss or damage, or the actual sum you pay for replacement, whichever is less.

Reference Copy

Loss Payment Basis

(continued)

Scientific Animals

Scientific animals, other than **scientific animals** held for sale, are valued based on:

- the cost to purchase a replacement animal of the same kind and quality prior to any research and development expenses associated with that animal; and
- any increase in an animal's value as a result of your **research and development operations**.

Scientific animals held for sale are valued based on your selling price, less the value of discounts and costs you would have incurred.

Scientific Animals And Perishable Property Not Owned By You

Scientific animals and **perishable property** not owned by you is valued on the same basis as **scientific animals** and **perishable property**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Labor, materials and services that you furnish or arrange on **perishable property** not owned by you is valued based on the actual cost of the labor, materials and services.

Stock In Process

Stock in process is valued based on the cost of raw materials and costs expended as of the date of loss or damage.

Loss Payment Limitations (Property)

Electronic Data Processing Property

We will not pay for any loss or damage to **electronic data processing property**.

Loss Of Market

We will not pay for any loss or damage that results from loss of market, loss of use or delay.

Property You Do Not Repair Or Replace

We will not pay for:

- **scientific animals**; or
- **research and development property**;

you do not repair or replace.

This Loss Payment Limitation does not apply to **scientific animals** held for sale.

Prototypes

When production of a new product begins, coverage under this contract ceases for:

- the **prototype** of that product; and
 - the research project directly associated with the new product.
-

Reference Copy

Change In Controlled Environment For Life Sciences

Loss Determination (Business Income And Extra Expense)

In making any loss determination under this coverage, we may utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- written agreements evidencing grants, endowments or other financial contributions;
- status and feasibility reports; and
- budgeting and marketing records.

Business Income

The amount of **business income** loss will be determined based on the:

- net income of your business before the direct physical loss or damage occurred;
- the likely net income of your business if no loss or damage occurred, but not including any **business income** that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the covered loss on customers or on other businesses; and
- your continuing operating expenses, including your continuing normal payroll expenses, necessary to resume **operations** with the same quality of service that existed just before the direct physical loss or damage.

Extra Expense

The amount of **extra expense** loss will be determined based on necessary expenses that:

- exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration**, if no physical loss or damage had occurred; and
- reduce the **business income** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains on any property bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

Resumption Or Continuance Of Operations

We will reduce the amount of any **business income** loss payment to the extent you can resume or continue your **operations**, in whole or in part, by using:

- damaged or undamaged property, including **merchandise** or **stock**; or
- any other available premises.

If you elect not to resume or continue **operations**:

- any loss determination for **business income** will be based on the length of time it would have taken to resume or continue **operations** with reasonable speed; and
 - we will not make any payment for **extra expense**.
-

Reference Copy

***Duration Of Loss –
Research And
Development Income***

Subject to all other terms and conditions of this contract, a **research and development income** loss begins on the date that covered direct physical loss or damage occurs, but not before the effective date shown in the Declarations.

A **research and development income** loss ends when the first of the following occurs:

- the **period of restoration** ends;
- twelve months pass from the date of physical restoration of the lost or damaged **perishable property** or **scientific animals**; or
- twelve months pass from the date that physical restoration of the lost or damaged **perishable property** or **scientific animals** would have occurred with reasonable speed.

***Loss Payment
Limitations
(Business Income
And Extra Expense)******Contaminant Clean-up
Or Removal***

We will not pay for any **extra expense** you incur for:

- clean up or removal of **contaminants** from land, water or air, either inside or outside of a **building**; or
- testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of **contaminants**,

but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Debris Removal

We will not pay for any **extra expense** you incur for the demolition or removal of debris, but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Financing Transactions

We will not pay for any loss involving:

- public offerings of stock, bonds or other **securities**;
- loans, lines of credit or other commercial financing transactions; or
- bank interest.

***Increase Of Loss Due To
Death Or Injury***

We will not pay for any **business income** loss or **extra expense** caused by or resulting from any injury, sickness, disease, death, emotional injury, emotional distress or humiliation of any person.

***Increase Of Loss Due To
Strikers Or Others
Causing A Delay***

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing property or resuming your **operations**, due to interference at the location of the repair, replacement or **operations** by strikers or other persons.

Reference Copy

Change In Controlled Environment For Life Sciences

Loss Payment Limitations (Business Income And Extra Expense) (continued)

Loss Or Damage To Electronic Data Processing Property

We will not pay for any **business income** loss or **extra expense** you incur caused by or resulting from direct physical loss or damage to **electronic data processing property**.

Loss Or Damage To Finished Stock

We will not pay for that part of any **business income** loss to **finished stock**.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions are shown in the Additional Conditions section of this contract.

Additional Conditions

Payment Intervals

At our option, we will make loss payments in the intervals called for in the written agreements evidencing grants, endowments or other financial contributions.

Research And Development Income Recovery

If we make a loss payment pursuant to this contract and you subsequently receive payment from a third party for the **research and development operations** for which we made such payment, you will reimburse us for the amount of our payment.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any definitions that replace the definitions in the Property/Business Income Conditions And Definitions form are shown in the Amended Definitions section of this contract.

Amended Definitions

Period Of Restoration

Period of restoration means the period of time that begins immediately after the time of direct physical loss or damage to **perishable property** or **scientific animals**:

- which is a **change in constitution**; or
- caused by or resulting from a **change in controlled environment**.

Reference Copy

Amended Definitions

Period Of Restoration (continued)

Period of restoration will continue until your **operations** are restored, with reasonable speed, to the level which would generate the **business income** amount that would have existed if no direct physical loss or damage occurred, including the time required to repair or replace the **perishable property** or **scientific animals**, not to exceed the applicable number of days shown as Extended Period in the Declarations, beginning on the date that:

- for manufacturing risks, the lost or damaged **perishable property** or **scientific animals** is actually repaired or replaced and production capability is restored to the level that existed prior to the date the direct physical loss or damage occurred; or
- for all other risks, the lost or damaged **perishable property** or **scientific animals** is actually repaired or replaced and your **operations** are restored.

The expiration date of this policy will not cut short the **period of restoration**.

Reference Copy

Property Insurance

Contamination For Life Sciences

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Contamination For Life Sciences

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Property/Business Income Conditions And Definitions form included in this policy and the Amended Definitions section of this contract.

Throughout this contract, the words “you” and “your” refer to the Named Insured shown in the Declarations of this policy. The words “we,” “us” and “our” refer to the company providing this insurance.

Premises Coverages (Property And Business Income)

The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.

Except as otherwise provided, the loss or damage must:

- be caused by or result from **contamination** or **radioactive contamination**; and
- occur at the premises shown in the Declarations.

Contamination

We will pay for:

- A. direct physical loss or damage to **property** caused by or resulting from **contamination**; and
- B. the actual:
 - 1. **business income** loss you incur due to the actual impairment of your **operations**; and
 - 2. **extra expense** you incur due to the actual or potential impairment of your **operations**, during the **period of restoration**, caused by or resulting from direct physical loss or damage to **property** caused by or resulting from **contamination**,

not to exceed the applicable Limit Of Insurance for Contamination shown in the Declarations.

Radioactive Contamination

We will pay for:

- A. direct physical loss or damage to **property** caused by or resulting from **radioactive contamination**; and
- B. the actual:
 - 1. **business income** loss you incur due to the actual impairment of your **operations**; and
 - 2. **extra expense** you incur due to the actual or potential impairment of your **operations**, during the **period of restoration**, caused by or resulting from direct physical loss or damage to **property** caused by or resulting from **radioactive contamination**,

not to exceed the applicable Limit Of Insurance for Radioactive Contamination shown in the Declarations.

Reference Copy

Premises Coverages (Property)

Loss Prevention Expenses

We will pay the reasonable and necessary costs you incur to protect **property** at the premises shown in the Declarations from imminent direct physical loss or damage caused by or resulting from **contamination** or **radioactive contamination**, not to exceed the applicable Limit Of Insurance for Loss Prevention Expenses shown in the Declarations.

To the extent possible, you must notify us of your intent to incur such cost before you take any loss prevention action.

In any event, you must notify us within 48 hours after you have taken any loss prevention action.

Processing Water

We will pay the cost you incur to replace water that is used in your processing operations and contained in any:

- above-ground tank;
- processing equipment; or
- any associated above-ground piping,

when such water has been released or rendered unusable for its intended purpose as a direct result of direct physical loss or damage to such tank, equipment or piping caused by or resulting from **contamination** or **radioactive contamination**, not to exceed the applicable Limit Of Insurance for Processing Water shown in the Declarations.

The loss or damage must occur at the premises shown in the Declarations.

This Premises Coverage does not apply to fire protection equipment.

Public Safety Service Charges

We will pay the charges you:

- assume under any contract or agreement; or
- are required to pay by local ordinance,

in effect at the time of the direct physical loss or damage, if a fire department or other municipal agency charged with preserving public safety is called to save or protect **property** from direct physical loss or damage caused by or resulting from **contamination** or **radioactive contamination**, not to exceed the applicable Limit Of Insurance for Public Safety Service Charges shown in the Declarations.

Removal

We will pay for direct physical loss or damage to **property**, other than **building**, while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move the **property**, other than **building**, from such location to preserve it from imminent loss or damage caused by or resulting from **contamination** or **radioactive contamination**, not to exceed the applicable Limit Of Insurance for Contamination or Radioactive Contamination shown in the Declarations.

Reference Copy

Contamination For Life Sciences

Additional Coverages (Property)

The following Additional Coverages apply within the coverage territory.

Any Other Location

We will pay for direct physical loss or damage caused by or resulting from **contamination** to **property** at unspecified premises, not to exceed the applicable Limit Of Insurance for Any Other Location shown under Contamination in the Declarations.

This Additional Coverage does not apply to:

- **salespersons' samples**;
- property while at any exhibition, fair or trade show;
- property at a newly acquired premises;
- property while **in transit**; or
- property at a job site or temporarily warehoused elsewhere awaiting installation at the job site.

This Additional Coverage applies only if a Limit Of Insurance for Any Other Location is shown under Contamination in the Declarations.

Condemnation Of Undamaged Stock

We will pay for the consequential loss to undamaged **stock** provided such **stock**:

- has been condemned; or
- is the subject of a written request that it be withheld from the market,

by a governmental authority because of direct physical loss or damage to **stock** at a premises shown in the Declarations caused by or resulting from **contamination**, not to exceed the applicable Limit Of Insurance for Condemnation of Undamaged Stock shown in the Declarations.

Contaminant Clean-up Or Removal

We will pay the costs you incur to clean up or remove **contaminants** from land, water or air at the premises shown in the Declarations and either inside or outside of a **building**, if the discharge, dispersal, seepage, migration release or escape of the contaminants is caused by or results from **contamination** or **radioactive contamination**.

The costs will be paid only if they are reported to us in writing within 180 days of the date the peril occurred which caused or resulted in the discharge, dispersal, seepage, migration, release or escape of the **contaminants**.

The most we will pay at a premises shown in the Declarations for all such covered costs that occur during each separate 12-month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy, is the applicable Limit Of Insurance for Contaminant Clean-up Or Removal shown in the Declarations.

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **contaminants**, other than payment for testing that is performed during the clean up or removal of the **contaminants** from the land, water or air, either inside or outside of a **building**.

This Additional Coverage does not apply if the discharge, dispersal, seepage, migration, release or escape of **contaminants** occurred prior to the effective date shown in the Declarations.

Reference Copy

**Additional Coverages
(Property)**
(continued)

In Transit

We will pay for direct physical loss or damage to:

- A. **personal property, building components, research and development property or scientific animals** while **in transit**;
- B. **personal property** being shipped FOB or on other similar terms after the title of a shipment passes to the consignee; or
- C. **personal property** which has been refused by the consignee, from the time such property has been refused until:
 - 1. the time such property is returned to your premises; or
 - 2. 14 consecutive days after such property has been refused,whichever occurs first,

caused by or resulting from **contamination**, not to exceed the applicable Limit Of Insurance for In Transit shown under Contamination in the Declarations.

We will not attempt to collect from the consignee, unless you:

- provide us with your written consent to do so; or
- assign us your right of action.

We will also pay for:

- the necessary additional expenses you incur to inspect, repackage and reship **personal property** damaged by **contamination**;
- general average and salvage charges that may be assessed against your covered **personal property** shipments that are waterborne; and
- loss or damage to **personal property** during loading and unloading of that property from a transporting conveyance, caused by or resulting from **contamination**,

not to exceed the applicable Limit Of Insurance for In Transit shown under Contamination in the Declarations.

This Additional Coverage does not apply:

- to any property while **in transit** to or from any exhibition, fair or trade show;
 - to **salespersons' samples**;
 - when you are acting as a carrier for hire;
 - if you have purchased separate ocean marine insurance that covers any property **in transit**;
 - to shipments by mail, unless registered;
 - to **electronic data processing property**; or
 - to **fine arts**.
-

Reference Copy

Contamination For Life Sciences

Additional Coverages (Property) (continued)

Newly Acquired Property	<p>We will pay for direct physical loss or damage to:</p> <ul style="list-style-type: none">· building under construction at existing or newly acquired premises; or· building, personal property or scientific animals at newly acquired premises; <p>caused by or resulting from contamination, not to exceed the applicable Limit Of Insurance for Contamination or Scientific Animals shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.</p> <p>This Additional Coverage applies until the first of the following occurs:</p> <ul style="list-style-type: none">· you report the value of the building, personal property or scientific animals at the newly acquired premises to us and we add such building, personal property or scientific animals to this policy;· 180 days pass from the date you acquire the premises or construction begins on the building; or· this policy expires. <p>We will charge you additional premium for the reported values from the date you acquire the premises or construction begins on the building, if we add such premises, or building to this policy.</p> <p>Personal property or scientific animals being moved from a vacated premises to a new premises is not considered newly acquired personal property or scientific animals.</p>
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Preparation Of Loss Fees	<p>We will pay the reasonable and necessary expenses we require you to incur after covered direct physical loss or damage to property to determine the extent of such loss or damage, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown in the Declarations.</p> <p>This Additional Coverage does not apply to any expenses you incur for any:</p> <ul style="list-style-type: none">· insurance adjuster, consultant, or attorney; or· of your subsidiaries or affiliates.
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Premises Coverages (Business Income And Extra Expense)	<p>The following Premises Coverages apply only at those premises for which a Limit Of Insurance applicable to such coverages is shown in the Declarations.</p> <p>Except as otherwise provided, direct physical loss or damage must:</p> <ul style="list-style-type: none">· be caused by or result from contamination or radioactive contamination; and· occur at the premises shown in the Declarations.
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Newly Acquired Research And Development Income	<p>We will pay for the actual business income loss you incur due to the loss of research and development income acquired pursuant to any written agreement executed after the inception of this policy, which results from the actual impairment of your research and development operations during the period of restoration. This actual impairment of research and development operations must be caused by or result from direct physical loss or damage by contamination or radioactive contamination to property.</p>
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Reference Copy

**Premises Coverages
(Business Income
And Extra Expense)**

*Newly Acquired
Research And
Development Income
(continued)*

This Premises Coverage:

- A. applies only at those premises:
 - 1. where you incur a **research and development income** loss; and
 - 2. for which a Limit Of Insurance for Contamination or Radioactive Contamination is shown in the Declarations;
- B. is subject to the applicable Limit Of Insurance for:
 - 1. Contamination or Radioactive Contamination shown in the Declarations; or
 - 2. Newly Acquired Research And Development Income shown under Business Income in the Declarations;whichever is less; and
- C. applies until the first of the following occurs:
 - 1. you notify us of how you want Business Income coverage to apply to newly acquired **research and development income** for your **research and development operations** at the premises shown in the Declarations, and we agree to provide such coverage;
 - 2. 90 days pass from the date the written agreement is executed; or
 - 3. this policy expires.

If we agree to provide such coverage, we will charge you additional premium from the date you executed the agreement. Such additional premium will be based on:

- the current worksheet you provide; and
- the modification in the Limits Of Insurance you request.

New Product Delay

We will pay for the actual **business income** loss you incur and discover after lost or damaged **property** directly related to your **research and development operations** is repaired or replaced and your **research and development operations** are restored, with reasonable speed to the condition that would have existed if no direct physical loss or damage occurred.

Such payment will be made:

- only if you discover the **business income** loss within 24 months after the date of the direct physical loss or damage;
- only after the new product or the enhanced product is made available in the market-place; and
- for the period equal to the length of time it originally took to restore such lost or damaged **property** with reasonable speed.

If a competitor introduces a similar product prior to the date you scheduled the introduction of your new or enhanced product, we will reduce the amount of such actual **business income** loss to the extent attributable to the competitor's product.

The **business income** loss must be caused by or result from direct physical loss or damage by **contamination** or **radioactive contamination** to **property**, and must result in a delay in the introduction of any new product or the enhancement of any existing product.

Reference Copy

Contamination For Life Sciences

Premises Coverages (Business Income And Extra Expense)

New Product Delay (continued)

The most we will pay for New Product Delay is the applicable Limit Of Insurance for Contamination or Radioactive Contamination shown in the Declarations.

Additional Coverages (Business Income And Extra Expense)

The following Additional Coverages apply within the coverage territory.

Condemnation Of Undamaged Stock

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Condemnation Of Undamaged Stock shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from the consequential loss to undamaged **stock** provided such **stock**:

- has been condemned; or
- is the subject of a written request that it be withheld from the market,

by a governmental authority because of direct physical loss or damage to **stock** at a premises shown in the Declarations caused by or resulting from **contamination** or **radioactive contamination**.

Contaminant Clean-up Or Removal

We will pay for the actual **business income** loss you incur due to the actual impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Contaminant Clean-up Or Removal shown under Business Income in the Declarations.

This actual impairment of **operations** must be caused by or result from the enforcement of any ordinance or law that requires you to clean up or remove **contaminants** from land, water or air, either inside or outside of a **building**, as a result of direct physical loss or damage by **contamination** or **radioactive contamination** at the premises shown in the Declarations.

Newly Acquired Premises

We will pay for the actual:

- **business income** loss you incur due to the actual impairment of your **operations**; and
- **extra expense** you incur due to the actual or potential impairment of your **operations**,

during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Business Income shown in the Declarations under Newly Acquired Premises.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by **contamination** to **property** at each newly acquired premises. This Additional Coverage applies until the first of the following occurs:

- you notify us of how you want Business Income With Extra Expense to apply to the newly acquired premises and we add such premises to this policy;
- 180 days pass from the date you acquire the premises; or

Reference Copy

Additional Coverages (Business Income And Extra Expense)

Newly Acquired Premises (continued)

- this policy expires.
- We will charge you additional premium from the date you acquire the premises, if we add such premises to this policy.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses and fees incurred following covered loss or damage to certify your **business income** loss or **extra expense**, not to exceed the applicable Limit Of Insurance for Preparation Of Loss Fees shown under Business Income in the Declarations.

This Additional Coverage does not apply to any expenses you incur for any:

- insurance adjuster, consultant or attorney; or
- of your subsidiaries or affiliates.

Debris Removal Coverage

The following Debris Removal Coverage applies.

Debris Removal

- A. We will pay for the costs you incur to demolish and remove debris of damaged **property** caused by or resulting from **contamination** or **radioactive contamination** that occurs during the policy period.
- B. The most we will pay for debris removal is the lesser of:
 - 1. 25% of the covered direct physical loss or damage; or
 - 2. the remaining applicable Limit Of Insurance for Contamination or Radioactive Contamination shown in the Declarations, after payment of the covered direct physical loss or damage.
- C. If the amount in B. above is insufficient to pay the debris removal, we will pay the remaining debris removal, not to exceed 10 percent of the applicable Limit Of Insurance for Contamination shown in the Declarations.
- D. Debris removal will be paid only if:
 - 1. reported to us in writing within 180 days of the date of the direct physical loss or damage to the **property**, and
 - 2. a Limit Of Insurance applicable to the damaged **property** is shown in the Declarations.
- E. Debris removal does not apply to costs to:
 - 1.
 - a. clean up or remove **contaminants** from land, water or air;
 - b. clean up, remove, restore or replace covered property because of the presence of **contaminating agents**; or
 - c. clean up, remove, restore or replace contaminated land, water or air, either inside or outside of a **building**; or
 - 2. demolish and clear the site of the undamaged portion of the **building**.

Reference Copy

Contamination For Life Sciences

Policy Exclusions

The following Policy Exclusions apply to all the coverages in this contract.

Acts Or Decisions

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

Business Errors

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from errors in the:

- altering;
- calibrating;
- constructing;
- developing;
- distributing;
- installing;
- manufacturing;
- maintaining;
- processing;
- repairing;
- researching; or
- testing,

of part or all of any property.

This Business Errors exclusion does not apply to **contamination** or **radioactive contamination** that results to other covered property.

Errors In Systems Programming

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from:

- A. errors or omissions in the development of, programming of, or instructions to:
 - 1. **electronic data processing property**; or
 - 2. a machine; or
- B. **electronic data** which is faulty, inadequate or defective for the use intended at the time of loss or damage.

Governmental Or Military Action

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or

Reference Copy

Policy Exclusions

Governmental Or Military Action (continued)

· contributes in any sequence to, the **contamination** or **radioactive contamination**, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to the extent insurance is provided under the Condemnation Of Undamaged Stock Additional Coverage.

Inherent Vice/Latent Defect

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from inherent vice or latent defect.

Loss Or Damage By Specified Peril

This insurance does not apply to:

- **contamination**; or
- ensuing loss or damage, caused by or resulting from a **specified peril**.

Mechanical Breakdown (Other Than Abrupt And Accidental)

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from mechanical breakdown.

This Mechanical Breakdown (Other Than Abrupt And Accidental) exclusion does not apply to abrupt and accidental breakdown of **mechanical or electrical system or apparatus** which causes direct physical loss or damage to all or part of that **mechanical or electrical system or apparatus** provided the direct physical loss or damage becomes manifest at the time of the breakdown that caused it.

Abrupt and accidental breakdown of **mechanical or electrical system or apparatus** does not include:

- rust, oxidation or corrosion;
- faulty, inadequate or defective design, plan, specifications or installation;
- failure of **mechanical or electrical system or apparatus** to perform in accordance with plans or specifications; or
- freezing caused by or resulting from weather conditions.

Nuclear Hazard

This insurance does not apply to **contamination** caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the **contamination**, even if such other cause or event would otherwise be covered.

Planning, Design, Materials Or Maintenance

This insurance does not apply to **contamination** or **radioactive contamination** (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;

Reference Copy

Contamination For Life Sciences

Policy Exclusions

Planning, Design, Materials Or Maintenance (continued)

- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - materials used in repair, construction, renovation or remodeling; or
 - maintenance,
- of part or all of any property on or off the premises shown in the Declarations.

Utility Supply Failure

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from suspension or reduction of:

- water services;
- electrical or other power services;
- natural gas or other fuel services; or
- Internet or other communication services,

regardless of any other cause or event that:

- contributes concurrently to; or
- contributes in any sequence to,

the **contamination** or **radioactive contamination**, even if such other cause or event would otherwise be covered.

This Utility Supply Failure exclusion does not apply if the suspension or reduction of such services is the direct result of direct physical loss or damage caused by or resulting from a peril covered in the Building And Personal Property contract included in this policy.

War And Military Action

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the **contamination** or **radioactive contamination**, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to **contamination** or **radioactive contamination** caused by or resulting from wear and tear or deterioration.

Reference Copy

Limits Of Insurance

Except as provided under Radioactive Contamination or Contaminant Clean-up Or Removal, the most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Premises Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such coverages is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Premises Coverage or Additional Coverage appears.

Radioactive Contamination

A. Radioactive Contamination Each Occurrence Limit Of Insurance

Subject to the:

- Radioactive Contamination Aggregate Limit Of Insurance described in paragraph B. below and shown in the Declarations; and
- Radioactive Each Occurrence Deductible shown in the Declarations,

the most we will pay in any **occurrence** for direct physical loss or damage and **business income** loss and **extra expense** caused by or resulting from **radioactive contamination**, is the lesser of the applicable:

- Limits Of Insurance shown in the Declarations; or
- Radioactive Contamination Each Occurrence Limit Of Insurance shown in the Declarations.

B. Radioactive Contamination Aggregate Limit Of Insurance

The most we will pay at all premises shown in the Declarations during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage and **business income** loss and **extra expense** caused by or resulting from **radioactive contamination**, is the Radioactive Contamination Aggregate Limit Of Insurance shown in the Declarations.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage, after application of Coinsurance if applicable, in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The following Loss Payment Basis provisions apply to all coverages contained within this contract, unless otherwise stated.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. covered property is valued on a replacement cost basis as described below, unless:
 - 1. the Loss Payment Basis shown in the Declarations is Actual Cash Value; or
 - 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. valuation also includes, for **building** or **personal property**, costs you incur as described below under Ordinance Or Law, Construction Fees, Brands And Labels and Extended Warranties.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option, we will either:

- pay the covered value of the lost or damaged covered property;

Reference Copy

Contamination For Life Sciences

Loss Payment Basis

Our Loss Payment Options (continued)

- pay the cost of repairing or replacing the lost or damaged covered property plus any reduction in value of the repaired item;
- take all or any part of the covered property at an agreed or appraised value; or
- repair or replace the covered property with other such property of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

Lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage, but not more than you actually spend to repair or replace such property at the same or another location for the same use or occupancy. There is no deduction for physical deterioration or depreciation.

If you replace the lost or damaged covered property, the valuation will include customs duties incurred.

If you do not repair or replace the covered property, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged covered property within 24 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the:

- replacement cost at the time of loss or damage; or
- actual costs you incur to repair or replace.

Payment under the Replacement Cost Basis will not be made until the completion of the repairs or the replacement of the covered property.

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is Actual Cash Value, lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Ordinance Or Law

If there is an ordinance or law in effect at the time of loss or damage that regulates zoning, land use or construction of a **building** or **personal property**, and if that ordinance or law affects the repair or replacement of the lost or damaged **building** or **personal property**, and if you:

- A. repair or replace the **building** or **personal property** as soon as reasonably possible, the valuation will include:
 - 1. a. the replacement cost of the damaged and undamaged portions of the **building** or **personal property**; or
 - b. the actual cash value of the damaged and undamaged portions of the **building** or **personal property** (if the applicable Loss Payment Basis shown in the Declarations is Actual Cash Value);

Reference Copy

Loss Payment Basis

Ordinance Or Law (continued)

2. the costs to demolish and clear the site of the undamaged portion of the **building** or **personal property**; and
 3. the increased cost to repair or replace the **building** to the same general size at the same site or **personal property** for the same general use, to the minimum standards of such ordinance or law, except we will not include any costs:
 - a. for land, water or air, either inside or outside of a **building**;
 - b. for paved or concrete surfaces, retaining walls, foundations or supports below the surface of the lowest floor or basement, unless specifically covered by this policy, or **outdoor trees, shrubs, plants or lawns**;
 - c. incurred outside the legal property boundary of the premises shown in the Declarations;
 - d. if **building** or **personal property** is valued on an actual cash value basis; or
 - e. attributable to any ordinance or law that you were required to, but failed to, comply with before the loss; or
- B. do not repair or replace the **building** or **personal property**, the valuation will include:
1. the actual cash value of the damaged and undamaged portions of the **building** or **personal property**; and
 2. the cost to demolish and clear the site of the undamaged portion of the **building** or **personal property**.

When direct physical loss or damage is caused by or results from both:

- **contamination**; or
- **radioactive contamination**; and
- an excluded peril,

the valuation will not include the Ordinance Or Law costs attributable to the excluded peril. Instead, the valuation will be based on that portion of such costs equal to the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage, not including Ordinance Or Law costs, unless the Ordinance Or Law applies solely to that portion of the **building** or **personal property** which suffered the covered direct physical loss or damage.

This Loss Payment Basis does not apply to any increase in costs, loss or damage associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **contaminants**, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the **contamination** or **radioactive contamination**, even if such other cause or event would otherwise be covered.

This Ordinance Or Law Loss Payment Basis does not apply to the Contaminant Clean-up Or Removal Premises Coverage.

If a maximum value for ordinance or law is shown in the Declarations, then, subject to the applicable Limits Of Insurance shown in the Declarations, such maximum value is the most we will consider under Ordinance Or Law.

Reference Copy

Contamination For Life Sciences

Loss Payment Basis

(continued)

Construction Fees

Building and **personal property** valuation includes necessary and incurred architectural, engineering, consulting, decorating and supervisory fees related to the construction and repair of the lost or damaged **building** and **personal property**.

Brands And Labels

Personal property valuation includes the cost of:

- replacing labels, capsules, wrappers or containers from lost or damaged **personal property**; or
- identifying and reconditioning lost or damaged **personal property**.

In the event of loss or damage to **stock**, you have two options when:

- you do not want to sell your lost or damaged **stock** under your brand or label; or
- the owner of any lost or damaged **stock** in your care, custody or control does not want to sell that lost or damaged **stock** under the owner's brand or label,

even though the lost or damaged **stock** has salvage value, you may:

- remove the brand or label and then relabel the lost or damaged **stock** to comply with the law; or
- label the lost or damaged **stock** as "salvage" but, in doing so, cause no further loss or damage to the **stock**.

In either case, the **personal property** valuation will include the difference between:

- the salvage value of the lost or damaged **stock** with the brand or label attached; and
- the salvage value of the lost or damaged **stock** with the brand or label removed.

Extended Warranties

Personal property or **building components** valuation includes the pro rata portion of the original cost based on the period of time remaining in your nonrefundable extended warranties, maintenance contracts or service contracts that you purchased and which are no longer valid on lost or damaged:

- **personal property**; or
- **building components** consisting of permanently installed, or intended to be permanently installed, machinery and equipment,

that you repair or replace.

Loss Payment Basis Exceptions

Accounts Receivable Records And Valuable Papers

Accounts receivable records and **valuable papers**, are valued based on the cost of blank materials and the cost of copying from a duplicate source on the same type of materials.

Reference Copy

Loss Payment Basis Exceptions

(continued)

Finished Stock And Sold Personal Property

Finished stock and sold **personal property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred.

Gold, Gold Salts And Other Precious Metals

Gold, gold salts and other precious metals are valued based on the average market cost for replacement as published by the American Metals Market during the period of 10 business days immediately preceding the date of loss or damage, or the actual sum you pay for replacement, whichever is less.

Property Not Owned By You

Property not owned by you is valued on the same basis as your **property**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Scientific Animals

Scientific animals, other than **scientific animals** held for sale, are valued based on:

- the cost to purchase a replacement animal of the same kind and quality prior to any research and development expenses associated with that animal; and
- any increase in an animal's value as a result of your **research and development operations**.

Scientific animals held for sale are valued based on your selling price, less the value of discounts and costs you would have incurred.

Stock In Process

Stock in process is valued based on the cost of raw materials and costs expended as of the date of loss or damage.

Loss Payment Limitations (Property)

Electronic Data Processing Property

We will not pay for any loss or damage to **electronic data processing property**.

Loss Of Market

We will not pay for any loss or damage that results from loss of market, loss of use or delay.

Property You Do Not Repair Or Replace

We will not pay for:

- **scientific animals**;
- **research and development property**; or
- **personal property**, which is **research and development property**,
you do not repair or replace.

This Loss Payment Limitation does not apply to **scientific animals** held for sale.

Reference Copy

Contamination For Life Sciences

Loss Payment Limitations (Property) (continued)

Prototypes

When production of a new product begins, coverage under this contract ceases for:

- the **prototype** of that product; and
- the research project directly associated with the new product.

Tenant's Improvements And Betterments

We will not pay for that part of any lost or damaged **tenant's improvements and betterments** which is paid by others.

Loss Determination (Business Income And Extra Expense)

In making any loss determination under this coverage, we may utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- written agreements evidencing grants, endowments or other financial contributions;
- status and feasibility reports; and
- budgeting and marketing records.

Business Income

The amount of **business income** loss will be determined based on the:

- net income of your business before the direct physical loss or damage occurred;
- the likely net income of your business if no loss or damage occurred, but not including any **business income** that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the covered loss on customers or on other businesses; and
- your continuing operating expenses, including your continuing normal payroll expenses, necessary to resume **operations** with the same quality of service that existed just before the direct physical loss or damage.

Extra Expense

The amount of **extra expense** loss will be determined based on necessary expenses that:

- exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration**, if no physical loss or damage had occurred; and
- reduce the **business income** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains on any property bought for temporary use during the **period of restoration**, once **operations** are resumed; and
 - any **extra expense** that is paid for by other insurance.
-

Reference Copy

**Loss Determination
(Business Income
And Extra Expense)**
(continued)

**Resumption Or
Continuance Of
Operations**

We will reduce the amount of any **business income** loss payment to the extent you can resume or continue your **operations**, in whole or in part, by using:

- damaged or undamaged property, including **merchandise** or **stock**; or
- any other available premises.

If you elect not to resume or continue **operations**:

- any loss determination for **business income** will be based on the length of time it would have taken to resume or continue **operations** with reasonable speed; and
- we will not make any payment for **extra expense**.

**Duration Of Loss –
Research And
Development Income**

Subject to all other terms and conditions of this contract, a **research and development income** loss begins on the date that covered direct physical loss or damage occurs, but not before the effective date shown in the Declarations.

A **research and development income** loss ends when the first of the following occurs:

- the **period of restoration** ends;
- twelve months pass from the date of physical restoration of the lost or damaged **property**; or
- twelve months pass from the date that physical restoration of the lost or damaged **property** would have occurred with reasonable speed.

**Loss Payment
Limitations
(Business Income
And Extra Expense)**

**Contaminant Clean-up
Or Removal**

We will not pay for any **extra expense** you incur for:

- clean up or removal of **contaminants** from land, water or air, either inside or outside of a **building**; or
- testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of **contaminants**,

but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Debris Removal

We will not pay for any **extra expense** you incur for the demolition or removal of debris, but we will pay for such **extra expense** you incur to the extent it reduces the amount of a covered **business income** loss that otherwise would have been payable under this contract.

Financing Transactions

We will not pay for any loss involving:

- public offerings of stock, bonds or other **securities**;

Reference Copy

Contamination For Life Sciences

Loss Payment Limitations (Business Income And Extra Expense)

Financing Transactions
(continued)

- loans, lines of credit or other commercial financing transactions; or
- bank interest.

*Increase Of Loss Due To
Death Or Injury*

We will not pay for any **business income** loss or **extra expense** caused by or resulting from any injury, sickness, disease, death, emotional injury, emotional distress or humiliation of any person.

*Increase Of Loss Due To
Strikers Or Others
Causing A Delay*

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing property or resuming your **operations**, due to interference at the location of the repair, replacement or **operations** by strikers or other persons.

*Loss Or Damage To
Finished Stock*

We will not pay for that part of any **business income** loss to **finished stock**.

**Conditions (Including
Coverage Territory)**

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions are shown in the Additional Conditions section of this contract.

Additional Conditions

Payment Intervals

At our option, we will make loss payments in the intervals called for in the written agreements evidencing grants, endowments or other financial contributions.

*Research And
Development Income
Recovery*

If we make a loss payment pursuant to this contract and you subsequently receive payment from a third party for the **research and development operations** for which we made such payment, you will reimburse us for the amount of our payment.

Definitions

The definitions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any definitions that replace the definitions contained in the Property/Business Income Conditions And Definitions form are shown in the Amended Definitions section of this contract.

Amended Definitions

Period Of Restoration

Period of restoration means the period of time that, for **business income**, begins:

- A. immediately after the time of direct physical loss or damage by **contamination** or **radioactive contamination** to **property**; or

Reference Copy

Amended Definitions

Period Of Restoration (continued)

- B. on the date **operations** would have begun if the direct physical loss or damage had not occurred, when loss or damage to any of the following delays the start of **operations**:
1. new **buildings** whether complete or under construction;
 2. alterations or additions to existing **buildings**; or
 3. **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used in the construction of, or for making additions to, alterations or repairs to the structure.

Period of restoration means the period of time that, for **extra expense**, begins immediately after the time of direct physical loss or damage by **contamination** or **radioactive contamination** to **property**.

Period of restoration will continue until your **operations** are restored, with reasonable speed, to the level which would generate the **business income** amount that would have existed if no direct physical loss or damage occurred, including the time required to:

- A. repair or replace the **property**; or
- B. repair or replace the **property** to comply with the minimum standards of any enforceable ordinance or law that:
1. regulates the repair or replacement of any **property**;
 2. requires the tearing down of parts of any **property** not damaged by **contamination** or **radioactive contamination**; and
 3. is in force prior to the date of the direct physical loss or damage,

not to exceed the applicable number of days shown as Extended Period in the Declarations, beginning on the date that:

- for manufacturing risks, the lost or damaged **property** is actually repaired or replaced and production capability is restored to the level that existed prior to the date the direct physical loss or damage occurred; or
- for all other risks, the lost or damaged **property** is actually repaired or replaced and your **operations** are restored.

The expiration date of this policy will not cut short the **period of restoration**.

In determining the **business income** amount that would have existed if no direct physical loss or damage occurred, we will reduce such amount to the extent necessary to reflect unfavorable economic conditions attributable to the impact the **contamination** or **radioactive contamination** had in the geographic area where the lost or damaged **property** is located.

Period of restoration does not include any increased period required to comply with any ordinance or law:

- you were required to comply with before the direct physical loss or damage;
- involving any property outside the legal boundary of the premises shown in the Declarations; or
- that regulates the repair or replacement of any property that was lost or damaged by an excluded peril. If direct physical loss or damage is caused by or results from both **contamination** or **radioactive contamination** and an excluded peril, the **period of restoration** only includes the length of time required to repair or replace the property lost or damaged by **contamination** or **radioactive contamination**.

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Property Insurance

*Property/Business Income
Conditions And Definitions For Life Sciences*

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Property/Business Income

Conditions And Definitions For Life Sciences

Contract

Conditions

The following conditions apply to all contracts contained within the Property/Business Income Insurance sections of this policy, except Care, Custody Or Control Legal Liability, or as otherwise stated.

Abandonment

There can be no abandonment of any covered property to us unless we specifically agree to such abandonment in writing.

Appraisal

If you and we do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss or damage. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. Each appraiser will separately state the value of the property and the amount of the loss or damage. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will be binding on you and us.

You and we will equally share any other appraisal costs and the costs of the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

Concealment Or Misrepresentation

This insurance is void if you or any other insured intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

Coverage Territory

This insurance applies anywhere within and **in transit** within and between the contiguous United States of America, Canada, the States of Hawaii and Alaska, Puerto Rico and the territories or possessions of the United States of America or Canada, excluding:

- A. coastwise waterborne shipments to or from Alaska;
- B. intercoastal waterborne shipments via the Panama Canal; and
- C. waterborne shipments to or from:
 - 1. the State of Hawaii;
 - 2. Puerto Rico; and
 - 3. territories or possessions of the United States of America or Canada.

The Coverage Territory for:

- Dependent Business Premises coverage;
- Exhibition, Fair Or Trade Show coverage;
- International Air Shipments coverage; and
- Mobile Communication Property coverage,

is worldwide.

Reference Copy

Conditions

Coverage Territory (continued)

For Contractors' Equipment coverage, Contractors Property, Mobile Equipment coverage, Leasehold Interest coverage, Money or Securities coverage or Building Under Construction coverage, the Coverage Territory is:

- the United States of America and its territories and possessions;
- Canada and its territories and possessions; and
- Puerto Rico.

Insured's Duties In The Event Of Loss Or Damage

You must see to it that the following are done in the event of loss or damage:

- Notify us, or one of our authorized representatives, as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income or Extra Expense Insurance, notify us by telephone, telegraph or facsimile at our expense.
- Notify the police if a law may have been violated.
- Take every reasonable step to protect the covered property from further loss or damage, and keep a record of your expenses necessary to protect such covered property for consideration in the settlement of the claim. This will not increase any Limit Of Insurance. However, we will not pay for any subsequent loss or damage resulting from a peril that is not a covered peril. Also, if feasible, set the lost or damaged property aside and in the best possible order for examination.
- If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- File with us, or with our authorized representative, sworn proof of loss within 90 days after the date of loss or damage.
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.
- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, permit us to inspect the property and examine your books and records.
- Permit us to take samples of the damaged and undamaged property for inspection, testing and analysis, and permit us to make copies of your books and records.
- Permit us to examine any insured under oath, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Failure of an agent or one of your employees, other than an officer, to notify us of any loss or damage that such agent or employee knows about will not affect the insurance afforded you by this policy.

Reference Copy

Property/Business Income Conditions And Definitions For Life Sciences

Conditions (continued)

Joint Loss Agreement

- A. This condition is intended to facilitate payment in the event of loss or damage to property that is covered by:
1. this insurance; and
 2. Boiler and Machinery insurance issued by a different insurer; and
- when there is agreement between the insuring companies as to the existence of coverage, but a disagreement as to the amount of the loss or damage to be paid by each insuring company.
- B. The provisions of paragraph C. of this condition apply only if all of the following requirements are met:
1. the Boiler and Machinery insurance contains a provision with substantially the same requirements and procedures as contained in this condition;
 2. the loss or damage to the covered property was caused by a peril for which both we and the other insurer admit some liability for payment under the respective policies;
 3. the total amount of the loss or damage is agreed upon by you, us and the other insurer;
 4. we and the Boiler and Machinery insurer disagree as to the amount of loss or damage that each should pay for the lost or damaged covered property; and
 5. the named insured is the same under both policies.
- C. If the requirements listed in Paragraph B. above are satisfied, we and the Boiler and Machinery insurer will make payments as follows:
1. we will pay, upon your written request, the entire amount for loss or damage that we have agreed upon as being covered solely by this insurance and one-half (1/2) the amount of loss or damage about which we and the other insurer disagree;
 2. the Boiler and Machinery insurer will pay, upon your written request, the entire amount of loss or damage agreed upon as being covered solely by the Boiler and Machinery insurance and one-half (1/2) the amount of loss or damage about which we and the other insurer disagree;
 3. the amount in disagreement to be paid by us under this condition shall not exceed the amount payable under the Loss Adjustment Condition of the Boiler and Machinery insurance;
 4. the amount to be paid under this condition shall not exceed the amount we would have paid had no Boiler and Machinery insurance been in effect at the time of loss or damage;
 5. acceptance by you of payments under this condition does not alter, waive or surrender any of our rights under this policy; and
 6. we and the other insurer agree to submit our differences to arbitration within 90 days after payment, and you agree to cooperate with any arbitration proceedings. There will be three arbitrators: one will be appointed by us, and the second will be appointed by the other insurer. Then, the two arbitrators will select a third arbitrator. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. A decision agreed to by any two of the three arbitrators will be binding on us and the other insurer. Judgement on any award may be sought in any court having jurisdiction.

Reference Copy

Conditions

(continued)

Legal Action Against Us

No legal action may be brought against us unless:

- there has been full compliance with all the terms of this insurance; and
- the action is brought within three years after the date on which the direct physical loss or damage occurred.

Lenders/Loss Payee

If any Loss Payee shown in the Schedule of Mortgagees and Loss Payees is a creditor whose interest in **personal property** or **electronic data processing property** is established by a written instrument and both you and such Loss Payee have an insurable interest in lost or damaged **personal property** or **electronic data processing property**, we will:

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and to each such Loss Payee, in their order of precedence, as interests may appear.

Each Loss Payee has the right to receive loss payment, even though:

- we denied your claim because you failed to comply with the terms of this insurance; or
- such Loss Payee starts foreclosure or similar actions on the **personal property** or **electronic data processing property**,

if such Loss Payee:

- pays any premium due at our request if you have failed to do so;
- submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- has notified us of any change in ownership, occupancy or substantial change in risk known to such Loss Payee.

Each Loss Payee's right to receive loss payment is limited to the lesser of the following:

- the actual cash value as described under Loss Payment Basis of the lost or damaged **personal property** or **electronic data processing property**;
- their financial interest in the **personal property** or **electronic data processing property** as shown in the written evidence; or
- the applicable Limit Of Insurance for Personal Property or Electronic Data Processing Property shown in the Declarations.

If we pay any Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this insurance, such Loss Payee's rights:

- will be transferred to us to the extent of the amount we pay; and
- to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to any Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

To satisfy the requirements of any Loss Payee shown in the Schedule of Mortgages and Loss Payees, copies of policies or certified copies of policies may be sent to these Loss Payees. In no event are copies of policies sent to Loss Payees to be considered as increasing the Limits Of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Conditions (continued)

Liberalization

If we adopt any changes:

- within 60 days prior to the effective date shown in the declarations; or
- during the policy period,

which could broaden this insurance without an additional premium charge, you will automatically receive the benefit of such change.

Loss Payment

- A. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this insurance, and:
1. we have reached agreement with you on the amount of loss; or
 2. an appraisal award has been made.
- B. We will not pay you more than your financial interest in the covered property.
- C. We may adjust losses with the owners of lost or damaged covered property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' covered property. We will not pay the owners more than their financial interest in such property.
- D. We may elect to defend you against suits arising from claims of owners of covered property. We will do this at our expense.

Mortgage Holder – Buildings

We will pay for loss or damage to **building** jointly to you and the mortgage holder shown in the Schedule of Mortgagees and Loss Payees, as interests may appear.

Your mortgage holder has the right to receive loss payment, even though:

- you failed to comply with the terms of this insurance; or
- your mortgage holder starts foreclosure or similar actions on the **building**,

if such mortgage holder:

- pays any premium due at our request if you have failed to do so;
- submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so, and
- has notified us of any change in ownership, occupancy or substantial change in risk known to such mortgage holder.

If we make loss payments to your mortgage holder when you fail to comply with the terms of this insurance, you will have to pay us to the extent we pay the mortgage holder. Your mortgage holder will still have the right to receive the balance of the mortgage debt from you.

We also have the right to take over your mortgage after making loss payment to the mortgage holder. If we do, you will pay your remaining mortgage debt to us.

If you fail to pay your premium, we may request it from your mortgage holder.

The mortgage holder must notify us of any change in ownership known to the mortgage holder.

Reference Copy

Conditions

Mortgage Holder – Buildings (continued)

If we cancel this insurance, we will give written notice to the mortgage holder at least:

- 20 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any other reason.

Failure to provide such notice shall not invalidate such cancellation.

To satisfy the requirements of any mortgage holder shown in the Schedule of Mortgages and Loss Payees, copies of policies or certified copies of policies may be sent to these mortgage holders. In no event are copies of policies sent to mortgage holders to be considered as increasing the Limits Of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

No Benefit To Carrier Or Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

Other Insurance

If you have any other insurance covering the same loss or damage as is insured against by this policy, we will only pay for the amount of loss or damage which is insured against by this policy in excess of the amount due from such other insurance, whether you can collect on such other insurance or not.

Recovered Property

If any lost or damaged covered property is recovered by you or us, after a loss payment is made, the party making the recovery must give the other parties prompt notice.

If any recovered property:

- other than drugs, biologicals, medicine or medical supplies, has a salvage value, we shall control the disposition of such salvage; or
- consisting of drugs, biologicals, medicine or medical supplies has a salvage value, you shall have full right to the possession and control of all such damaged goods. After suitable tests have indicated which goods have been damaged, you shall be the sole judge as to whether such damaged goods are suitable for reprocessing or for marketing. No such damaged goods deemed by you to be unfit for reprocessing or for marketing shall be sold or otherwise disposed of except by you or someone with your written consent. We will deduct from the loss settlement a reasonable amount of salvage value determined by qualified experts.

When covered property is recovered, you may keep the:

- recovered property and return the loss payment to us; or
- loss payment and we will keep the recovered property.

When any recovered covered property which you choose to keep is in need of repair, we will pay for the repairs subject to the:

- applicable Limit Of Insurance shown in the Declarations; and
- Loss Payment Basis provision, Our Loss Payment Options.

If any recovered property has a salvage value or if there is any money recovered through subrogation, such recoveries shall be applied, net of the expense of such recovery, in the following order:

- first, to you for any uninsured loss or damage resulting from an insufficient limit of insurance;

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Conditions

Recovered Property (continued)

- second, to us for any amounts paid in settlement of your claim; and
- third, to you for any deductible amount that you paid or penalties you paid as a result of coinsurance or the **personal property** reporting condition of this insurance, if applicable.

We shall determine the amount of loss or damage on the basis on which it would have been settled had the amount of recovery been known at the time the loss was originally determined.

If there are expenses:

- in recovering any lost or damaged covered property; or
- as a result of subrogation,

we shall share the expense with you and any insurer providing excess insurance in proportion to the amount we are each reimbursed. If there should be no recovery and proceedings are conducted solely by us, we shall bear the expenses of the proceedings.

Transfer Of Rights Of Recovery To Us

If any person to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair our rights.

You may waive your rights against another party in writing:

- A. prior to direct physical loss or damage to covered property; or
- B. after direct physical loss or damage to covered property only if, at the time of direct physical loss or damage, that party is one of the following:
 - 1. someone insured by this insurance;
 - 2. an individual who owns or controls the majority of capital stock of your business;
 - 3. a related business firm majority-owned or controlled by you, or that owns or controls the majority of the capital stock of your business;
 - 4. your tenant.

This will not restrict your insurance.

Reference Copy

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Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

When used with respect to insurance under this policy:

Accounts Receivable

Accounts receivable means:

- the money due you that you are unable to collect from customers;
- interest charges on any loan that you secure to offset your reduced cash flow; and
- additional collection costs.

Accounts Receivable Records

Accounts receivable records means accounting records, including support records such as invoices and accounting records in any form, used to control and document the collection of money due from customers.

Blank Media

Blank media means the blank medium upon which **electronic data** is recorded, but not **electronic data** itself.

Bonus Payments

Bonus payments means that portion of any cash bonus you paid based on the percentage of your lease remaining at the time of direct physical loss or damage.

Bonus payments does not mean rent, securities or cash bonuses refunded to you, even if you prepaid the rent or security.

Building

Building means:

- a structure;
- **building components**;
- completed additions;
- additions to the structure under construction; and
- alterations and repairs to the structure.

Building does not mean:

- land, water or air, either inside or outside of a structure;
- dams;
- dikes;
- paved or concrete surfaces;
- underground mines or mine shafts or any property within such underground mines or mine shafts;
- retaining walls;
- foundations or supports below the surface of the lowest floor or basement;
- **outdoor trees, shrubs, plants or lawns**; or
- any structure you do not own, occupy and are not legally or contractually required to insure.

Reference Copy

Definitions

(continued)

Building Components

Building components means:

- glass forming a part of a structure;
- **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used for making additions or repairs to a structure;
- outdoor fixtures;
- outdoor and indoor signs;
- permanently installed fixtures, machinery and equipment; and
- **personal property** used to maintain or service a structure or its premises.

Building Or Renovations Under Construction

Building or renovations under construction means:

- **buildings under construction**; or
- **renovations under construction.**

Building Under Construction

Building under construction means:

- A. a structure in the course of construction; and
- B. the following, if attached to the structure, intended to become a part of the structure, or within 1,000 feet of the premises shown in the Declarations where the structure is under construction:
 - 1. foundations;
 - 2. **building components**;
 - 3. building materials and supplies, including those in your care, custody or control:
 - a. at a job site awaiting and during installation; or
 - b. **in transit** to a job site; and
 - 4. temporary structures built or assembled on site, including cribbing, scaffolding and construction forms, if not covered by other insurance.

Building under construction does not mean:

- land, water or air, either inside or outside of a structure in the course of construction;
- dams;
- dikes;
- paved or concrete surfaces;
- underground mines or mine shafts or any property within such underground mines or mine shafts;
- retaining walls;
- **outdoor trees, shrubs, plants or lawns**;
- **contractors' equipment**;
- **mobile equipment**; or

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

Building Under Construction (continued)

- any structure in the course of construction you do not own, occupy and are not legally or contractually required to insure.

Business Income

Business income means:

- A. For all of your **operations** except your **research and development operations**:
1. net profit or loss, including rental income from tenants and net sales value of production that would have been earned or incurred before income taxes;
 2. your continuing normal:
 - a. operating; and
 - b. payroll, expenses;
 3. charges you incur which are the legal obligation of your tenant(s) which would otherwise be your obligations; and
 4. the cost you are required to pay to rent temporary premises when the portion of the premises shown in the Declarations occupied by you is untenable, not to exceed the fair rental value of such untenable portion of the **building** you occupy; or
- B. For your **research and development operations**:
1. net profit from **research and development income** that would have been earned before income taxes;
 2. your continuing normal:
 - a. operating; and
 - b. payroll, expenses from **research and development operations**; and
 3. the cost you are required to pay to rent temporary research and development premises when the portion of the research and development premises shown in the Declarations occupied by you is untenable, not to exceed the fair rental value of such untenable portion of the **building** you occupy.

Business income does not mean bank interest or investment income.

Change In Constitution

Change in constitution means change in flavor, taste, color, texture, finish, appearance, smell, scent or other type of spoilage.

Change In Controlled Environment

Change in controlled environment means:

- A. for **perishable property**:
1. a **change in constitution**;
 2. dampness or dryness of atmosphere; or

Reference Copy

Definitions

Change In Controlled Environment (continued)

3. changes in or extremes of temperature; or
- B. for **scientific animals**, a change in air quality, temperature, atmosphere or other environmental condition within a space where the environment is artificially controlled.

Communication Property

Communication property means:

- analog or digital communication equipment; or
- other equipment used to interactively communicate with others through voice, picture, video or writing,

you own or in your care, custody or control.

Communication property does not mean:

- **electronic data processing equipment;**
- **electronic data;**
- **mobile communication property;**
- **contractors' equipment;**
- communication systems for sale or sold; or
- **mobile equipment.**

Contaminants

Contaminants means:

- any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkali, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed; or
- **contaminating agents.**

Contaminants does not mean:

- any solid, liquid or gas used to suppress fire; or
- **water.**

Contaminating Agents

Contaminating agents means any:

- A.
 1. bacteria;
 2. mildew, mold or other fungi;
 3. other microorganisms; or
 4. any mycotoxins, spores or other by – products of any of the foregoing;
- B. viruses or other pathogens (whether or not a microorganism); or
- C. colony or group of any of the foregoing.

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

(continued)

Contamination

Contamination means the mixture of or contact between **property** and a **contaminant**, when such mixture or contact causes the **property** to be impure and harmful to:

- itself or other property;
- persons, animals or plants;
- land, water or air; or
- any other part of an environment,

either inside or outside of a building or other structure, if such mixture or contact is:

- of or between **property** you own, use or operate and a **contaminant** which is part of or emitted from such **property** and is directly caused by or directly results from direct physical loss or damage to such **property**;
- directly caused by or results from the sudden and accidental discharge, dispersal, seepage, migration, release or escape of **contaminants**; or
- directly caused by or results from a gas, water or other liquid which escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided such gas, water or other liquid is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems.

Contamination does not mean:

- the mixture of or contact between **property** and a **contaminant** if the mixture or contact is directly caused by or directly results from a **specified peril**;
- any increase in costs, loss or damage associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of **contaminants**; or
- **radioactive contamination**.

Contractors' Equipment

Contractors' equipment means contractors' machinery and equipment, including accessories, tools and spare parts for the contractors' machinery and equipment, usual to your business, which you own, lease or borrow, and for which you are legally liable.

Contractors' equipment does not mean:

- aircraft or watercraft;
- motor vehicles required to be licensed for highway use, except motor vehicles on which your contractors' machinery or equipment is permanently mounted;
- **personal property**;
- property while underground, except while **in transit** through vehicular or railroad tunnels;
- office equipment, which is the contents of trailers, unless that equipment is otherwise shown;
- property while waterborne or while being loaded or unloaded for waterborne transit, except while **in transit** on public ferries or car floats for hire;
- property while leased or loaned to others;
- property while on any platform anchored, permanently or temporarily, in any body of water;

Reference Copy

Definitions

Contractors' Equipment
(continued)

- **mobile communication property**; or
- **electronic data processing property**.

Covered Peril

Covered peril means a peril covered by the Form(s) shown in the Property Insurance Schedule Of Forms applicable to the lost or damaged **property**.

For the purposes of:

- **personal property of a dependent business premises**;
- **personal property of a utility**; or
- **service property**,

covered peril means a peril covered by the Building And Personal Property For Life Sciences Contract included in this policy applicable to **building** or **personal property** at a premises shown in the Declarations.

Covered peril does not mean a peril covered by the following Form(s):

- Care, Custody Or Control Legal Liability;
- Change In Controlled Environment For Life Sciences; or
- Contamination For Life Sciences.

Dependent Business Premises

Dependent business premises means premises operated by others on whom you depend to:

- deliver materials or services to you or to others for your account (contributing premises);
- accept your products or services (recipient premises);
- manufacture products for delivery to your customers under contract of sale (manufacturing premises); or
- attract customers to your business (leader premises).

Dependent business premises does not mean any:

- A. premises operated by others on whom you depend to:
 - 1. deliver utility services to you; or
 - 2. accept utility services from you; or
- B. premises of **on-line access** providers.

Electronic Data

Electronic data means software, data or other information that is in electronic form.

Electronic Data Processing Equipment

Electronic data processing equipment means:

- computers;
- computer peripherals;
- climate control and protection equipment used solely for electronic data processing operations;

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

Electronic Data Processing Equipment (continued)

- separately identifiable and removable component computer devices that are attached to covered property and are designed to control such property, but not the property itself; and
- **blank media.**

Electronic data processing equipment does not mean:

- **electronic data;**
- computers, peripherals, equipment or parts held for sale or distribution;
- computers, peripherals, equipment or parts that have been sold;
- computers, peripherals, equipment or parts in the course of manufacture;
- **communication property;**
- **contractors' equipment;**
- **mobile communication property;** or
- **mobile equipment.**

Electronic Data Processing Property

Electronic data processing property means:

- **electronic data;**
- **electronic data processing equipment;**
- **mobile communication property;** and
- **communication property.**

Electronic data processing property does not mean:

- **contractors' equipment;** or
- **mobile equipment.**

Electronic Data Recovery Costs

Electronic data recovery costs means the reasonable and necessary costs you incur to:

- copy, re-create, replace or retrieve **electronic data** you own or use, or which resides on a system you own or lease; and
- restore a system you own or lease to the functionality that existed prior to the **malicious programming.**

Electronic data recovery costs does not include the cost to repair or replace **electronic data processing equipment** or **communication property** which suffers direct physical loss or damage.

Extra Expense

Extra expense means necessary expenses you incur:

- A. in an attempt to continue **operations**, over and above the expenses you would have normally incurred; and
- B. to repair or replace any **property**, or to research or restore the lost information on damaged **valuable papers**, records and media, if such action will reduce any loss we would pay under this insurance.

Reference Copy

Definitions

(continued)

Fine Arts

Fine arts means:

- paintings, rare books, sculptures, manuscripts, pictures, prints, etchings, drawings, tapestries, bronzes, statuary, potteries, porcelains, marbles and other bona fide works of art; or
- items of rarity or historical value.

Finished Stock

Finished stock means goods you have manufactured which are in their completed state and ready for sale.

Finished stock does not include goods you have manufactured which are in their completed state and ready for sale on the premises of any retail outlet.

Flood

Flood means:

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse, whether driven by wind or not.

Flood does not include:

- a **specified peril** that ensues from flood; or
- tsunami resulting from earthquake.

Insider

Insider means a person, organization or computer you have expressly authorized to access a **system**.

In Transit

In transit means being shipped by air, surface or waterborne conveyance from the time beginning:

- when, if shipped from your premises in or on conveyances you own, lease or operate, the property departs your premises;
- when, if shipped from premises of others in or on conveyances you own, lease or operate, the property is transferred into your care, custody or control; or
- when the property is actually moved from the point of shipment bound for a specified destination, if shipped in or on any other conveyance;

and ending:

- when the property is accepted by, or on behalf of, the consignee at the intended destination;
- when the property is accepted by, or on behalf of, the consignee at any intermediate point short of reaching the original intended destination;
- at such point where you, or the owner of the property if other than you, order the property stopped and held pending instructions. However, this does not apply to property while in the custody of a carrier for hire and which is being held at a location other than the intended destination by such carrier's "on-hand" department for a period not to exceed 30 days; or

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

In Transit (continued)

- when, if shipped to your premises in or on conveyances you own, lease or operate, the property arrives at your premises.

In transit includes ordinary, reasonable, and necessary stops, interruptions, delays, or transfers incidental to the route and method of shipment, but not while at premises you own, lease or operate.

In transit also includes the period of time during which:

- there is a substantial and unauthorized deviation from the normal route by a carrier for hire; or
- the contract of carriage is, without your knowledge, abandoned en route by a carrier for hire, its agent, or its driver.

In transit does not mean:

- A. property shipped by mail, unless shipped by registered mail;
- B. import shipments, within the Coverage Territory, until such time as ocean marine insurance has ceased to cover such property;
- C. export shipments once:
 - 1. loaded on board any steamer or other watercraft; or
 - 2. ocean marine insurance has begun to cover such property,whichever occurs first; or
- D. property owned by others when you are acting as a carrier for hire.

Malicious Programming

Malicious programming means an illegal or malicious entry into **electronic data** or a **system** which results in functions that:

- distort;
- corrupt;
- manipulate;
- copy;
- delete;
- destroy; or
- slow down,

such **electronic data** or **system**.

Malicious programming does not mean:

- theft of telephone services; or
- direct physical loss or damage to **electronic data processing property** or **mobile communication property**.

Market Value

Market value means the price which the **fine arts** might be expected to realize if offered for sale in a fair market on the date of loss or damage.

Reference Copy

Definitions

(continued)

Mechanical Or Electrical System Or Apparatus

Mechanical or electrical system or apparatus means any:

- boiler, fired pressure vessel, unfired pressure vessel normally subject to vacuum or internal pressure other than weight of its content, refrigerating and air conditioning vessels, including metal piping and its accessory equipment connected thereto; and
- mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power.

Mechanical or electrical system or apparatus does not mean any:

- A. part of a boiler or fired vessel or electric steam generator that does not contain steam or water;
- B. insulating or refractory material;
- C. non-metallic vessels, equipment, machines and apparatus, including their glass linings and non-metallic parts, unless constructed in accordance with the American Society of Mechanical Engineers;
- D. glass linings of vessels, equipment, machines and apparatus;
- E. catalyst;
- F. piping, vessels or electrical cables, not enclosed in conduit, buried directly in the ground;
- G. sewer piping;
- H. sprinkler system piping or water piping other than:
 - 1. feedwater piping between any steam boiler and its feed pumps or injectors;
 - 2. steam boiler condensate return piping; and
 - 3. metal water piping interconnecting vessels forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating;
- I. part of an unfired pressure vessel that is not under:
 - 1. pressure; or
 - 2. internal vacuum;
- J. structure, foundation, cabinet or compartment containing any vessel, equipment, machine or apparatus;
- K. felt, wire, screen, die, extrusion plate, swing hammer, grinding disk, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent periodic replacement;
- L. vessel, equipment, machine or apparatus manufactured by you for sale;
- M. power shovel, dragline, excavation vehicle (whether or not licensed for road use), aircraft, floating vessel or structure, penstock, draft tube or well casings; or
- N. **electronic data processing property**, except for component computer devices that are used solely to control a mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power.

When a vessel uses a heat transfer medium other than water or steam, we will consider the medium used and its vapor as substitutes for the words "water" or "steam".

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

(continued)

Merchandise

Merchandise means goods:

- held for sale by you; or
- manufactured by you and ready for sale on the premises of any retail outlet.

Mobile Communication Property

Mobile communication property means:

- cellular telephone;
- laptop computers;
- pagers;
- personal digital assistants;
- mobile hand held global positioning systems; and
- other hand held communication devices.

Mobile communication property does not mean:

- **personal property;**
- **electronic data processing equipment;**
- **electronic data;**
- **communication property;**
- **contractors' equipment;** or
- **mobile equipment.**

Mobile Equipment

Mobile equipment means machinery and equipment, including accessories, tools and spare parts for the machinery and equipment, usual to your business which you own, lease or borrow, and for which you are legally liable.

Mobile equipment does not mean:

- aircraft or watercraft;
 - motor vehicles required to be licensed for highway use, except motor vehicles on which your machinery or equipment is permanently mounted;
 - **personal property;**
 - property while underground, except while **in transit** through vehicular or railroad tunnels;
 - office equipment, which is the contents of trailers, unless that equipment is otherwise shown;
 - property while waterborne or while being loaded or unloaded for waterborne transit, except while **in transit** on public ferries or car floats for hire;
 - property while leased or loaned to others;
 - property while on any platform anchored, permanently or temporarily, in any body of water;
 - **mobile communication property;** or
 - **electronic data processing property.**
-

Reference Copy

Definitions

(continued)

Money

Money means:

- currency, coins, bank notes or bullion;
- food stamps;
- checks or drafts drawn on any account; or
- travelers checks, registered checks and money orders, held for sale to the public.

Non-Owned Detached Trailers

Non-owned detached trailers means trailers that you do not own that:

- are used in your business; and
- are in your care, custody or control.

Non-owned detached trailers does not mean:

- trailers attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or
- trailers during hitching or unhitching operations, or when trailers become accidentally unhitched from a motor vehicle or motorized conveyance.

Occurrence

Occurrence means:

- A. for earthquake, including any resulting tsunami:
 - 1. one earthquake; or
 - 2. a series of earthquake shocks occurring within any period of 168 hours;
- B. for volcanic eruption:
 - 1. one volcanic eruption; or
 - 2. a series of volcanic eruptions occurring within any period of 168 hours;
- C. for windstorm involving, in whole or in part, any of the perils of weather:
 - 1. one weather event; or
 - 2. a series of related weather events; or
- D. for all other perils:
 - 1. one event; or
 - 2. a series of causally related events that:
 - a. contribute concurrently to; or
 - b. contribute in any sequence to,the loss or damage.

For the purposes of this definition:

- earthquake does not include a **specified peril** that ensues from earthquake; and

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

Occurrence *(continued)*

- any earthquake or volcanic eruption, or series of earthquake shocks or volcanic eruptions, will be deemed to occur at the time of the first shock or eruption.

Off Premises

Off premises means:

- in the custody of an armored motor vehicle company; or
- in the possession of any person authorized by you, but not while in the mail or in the custody of a carrier for hire other than an armored motor vehicle company.

On Premises

On premises means:

- on the premises shown in the Declarations;
- in a bank; or
- in a recognized place of safe deposit.

On-Line Access

On-line access means:

- accessing information made available by third parties; or
 - making information available to third parties,
- via computer or other electronic system.

Operations

Operations means your business activities occurring at your premises, including your activities as a lessor of premises, prior to the loss or damage.

Outdoor Trees, Shrubs, Plants Or Lawns

Outdoor trees, shrubs, plants or lawns means outdoor trees, shrubs, plants or lawns you own on the premises shown in the Declarations.

Outdoor trees, shrubs, plants or lawns does not mean:

- outdoor trees, shrubs, plants or lawns that you hold for sale; or
- growing crops.

Outsider

Outsider means a person, organization or computer not authorized to access a **system**.

Overhead Communication, Transmission Or Distribution Equipment

Overhead communication, transmission or distribution equipment means:

- overhead communication, transmission or distribution lines;
 - overhead transformers; or
 - other similar overhead communication, transmission or distribution equipment, and all their supporting towers and poles.
-

Reference Copy

Definitions

(continued)

Period Of Recovery Of Computer Service

Period of recovery of computer service means the period of time that:

- for **electronic data recovery costs** and **extra expense**, begins immediately after the **malicious programming** occurs; and
- for **business income**, begins twenty-four (24) normal business hours after the **malicious programming** occurs.

Period of recovery of computer service will continue until the earlier of the following:

- the date your **operations** are restored, with due diligence and dispatch, to the condition that would have existed had there been no **malicious programming**; or
- sixty (60) days after the date you restore, with due diligence and dispatch, a **system** to the functionality that existed prior to the **malicious programming**.

In determining the condition of **operations** that would have existed had there been no **malicious programming**, no consideration will be given to unfavorable market conditions or competitive advantage gained by others as a result of such **malicious programming**.

Period Of Restoration

Period of restoration means the period of time that, for **business income**, begins:

- A. immediately after the time of direct physical loss or damage by a **covered peril to property**; or
- B. on the date **operations** would have begun if the direct physical loss or damage had not occurred, when loss or damage to any of the following delays the start of **operations**:
 - 1. new **buildings** whether complete or under construction;
 - 2. alterations or additions to existing **buildings**; or
 - 3. **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used in the construction of, or for making additions to, alterations or repairs to the structure.

Period of restoration means the period of time that, for **extra expense**, begins immediately after the time of direct physical loss or damage by a **covered peril to property**.

Period of restoration will continue until your **operations** are restored, with reasonable speed, to the level which would generate the **business income** amount that would have existed if no direct physical loss or damage occurred, including the time required to:

- A. repair or replace the **property**; or
- B. repair or replace the **property** to comply with the minimum standards of any enforceable ordinance or law that:
 - 1. regulates the repair or replacement of any **property**;
 - 2. requires the tearing down of parts of any **property** not damaged by a **covered peril**; and
 - 3. is in force prior to the date of the direct physical loss or damage,

not to exceed the applicable number of days shown as Extended Period in the Declarations, beginning on the date that:

- for manufacturing risks, the lost or damaged **property** is actually repaired or replaced and production capability is restored to the level that existed prior to the date the direct physical loss or damage occurred; or

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

Period Of Restoration (continued)

- for all other risks, the lost or damaged **property** is actually repaired or replaced and your **operations** are restored.

The expiration date of this policy will not cut short the **period of restoration**.

If loss or damage occurs at a:

- **dependent business premises**; or
- utility,

for the purpose of determining **period of restoration** following such loss or damage, **property** includes:

- **personal property of a utility**; or
- **personal property of a dependent business premises**.

In determining the **business income** amount that would have existed if no direct physical loss or damage occurred, we will reduce such amount to the extent necessary to reflect unfavorable economic conditions attributable to the impact the **covered peril** had in the geographic area where the lost or damaged **property** is located.

Period of restoration does not include any increased period required to comply with any ordinance or law:

- you were required to comply with before the direct physical loss or damage;
- involving any property outside the legal boundary of the premises shown in the Declarations;
- that regulates the repair or replacement of any property that was lost or damaged by an excluded peril. If direct physical loss or damage is caused by or results from both a **covered peril** and an excluded peril, the **period of restoration** only includes the length of time required to repair or replace the property lost or damaged by a **covered peril**; or
- that requires any insured or others to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **contaminants**, except as provided under the Contaminant Clean-up or Removal Additional Coverage.

Perishable Property

Perishable property means:

- **personal property**; or
- **research and development property**,

that is susceptible to:

- spoiling; or
- rapid decay or deterioration.

Perishable property does not mean **scientific animals**.

Reference Copy

Definitions

(continued)

Personal Property

Personal property means:

- all your business personal property;
- business personal property you lease;
- **personal property of others;**
- labor, materials and services furnished or arranged by you on **personal property of others;**
- signs, fixtures, glass and other **tenant's improvements and betterments;** and
- glass in **buildings** you do not own if you are legally or contractually required to maintain such glass.

Personal property does not mean:

- **building**, except **tenant's improvements and betterments** and glass in **buildings** you do not own if you are legally or contractually required to maintain such glass;
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as provided under the Deferred Payments Additional Coverage;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance;
- animals;
- any personal property which is in or below underground mines or mine shafts; or
- **mobile communication property.**

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

(continued)

Personal Property Of A Dependent Business Premises

Personal property of a dependent business premises means business personal property owned or leased by a **dependent business premises**.

Personal property of a dependent business premises does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers;
- animals;
- any personal property which is in or below underground mines or mine shafts; or
- **mobile communication property.**

Personal Property Of Employees

Personal property of employees means personal property owned or leased by your employees and in your care, custody or control.

Personal property of employees does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;

Reference Copy

Definitions

Personal Property Of Employees (continued)

- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance;
- animals;
- any personal property which is in or below underground mines or mine shafts; or
- **mobile communication property.**

Personal Property Of Others

Personal property of others means personal property not owned by you and in your care, custody or control.

Personal property of others does not mean:

- business personal property you lease; or
- **personal property of employees.**

Personal Property Of A Utility

Personal property of a utility means personal property owned or leased by a utility.

Personal property of a utility does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft;
- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers;
- animals;

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

Personal Property Of A Utility (continued)

- any personal property which is in or below underground mines or mine shafts; or
- **mobile communication property.**

Prepaid Rent

Prepaid rent means that portion of any prepaid rent you paid based on the percentage of your lease remaining at the time of direct physical loss or damage.

Prepaid rent does not mean the customary rent due at the beginning of any rental period.

Property

Property means:

- **building;**
- **personal property;**
- **personal property of employees;**
- **electronic data processing property;**
- **valuable papers;**
- **fine arts;**
- **research and development property; or**
- **scientific animals.**

Prototypes

Prototypes mean a first or original model of a new type of design.

Radioactive Contamination

Radioactive contamination means:

- sudden and accidental radioactive contamination; or
- resulting radiation at the premises shown in the Declarations.

Radioactive contamination does not mean:

A. **radioactive contamination** if:

1. the premises shown in the Declarations contains:
 - a. a nuclear reactor capable of sustaining nuclear fusion in a self-supporting chain reaction; or
 - b. any new or used nuclear fuel intended for or used in such a nuclear reactor; or
2. the radioactive contamination is caused by or results from radioactive material not located at the premises shown in the Declarations; or

B. **contamination.**

Raw Stock

Raw stock means material in the state in which you receive it for conversion into **finished stock.**

Reference Copy

Definitions

(continued)

Renovations Under Construction

Renovations under construction means additions, improvements, alterations or repairs to an existing structure, including:

- A. the following property located in the structure, on premises, within 1,000 feet of the premises shown in the Declarations or while **in transit** to the premises shown in the Declarations if such property is intended to become a permanent part of the structure:
 - 1. fixtures, machinery and equipment used to service the structure; and
 - 2. your building materials and supplies, or those in your care, custody or control, used in the construction; and
- B. temporary structures built or assembled on the premises shown in the Declarations, including cribbing, scaffolding and construction forms, if not covered by other insurance.

Renovations under construction does not mean:

- any portion of a structure existing prior to the additions, improvements, alterations or repairs;
- paved or concrete surfaces;
- retaining walls;
- **building under construction;**
- **contractors' equipment;**
- land, water or air, either inside or outside of a structure;
- dams;
- dikes;
- underground mines or mine shafts and any property within such underground mines or mine shafts;
- **mobile communication property;** or
- **mobile equipment.**

Rental Income

Rental income means:

- A. net profit or loss that would have been earned or incurred, before income taxes, from the rental income from tenant occupancy of the premises shown in the Declarations;
- B. your continuing normal:
 - 1. operating; and
 - 2. payroll,expenses that you incur solely from tenant occupancy of the premises shown in the Declarations;
- C. charges you incur which are the legal obligation of your tenant(s) which would otherwise be your obligations; and
- D. the cost you are required to pay to rent temporary premises when that portion of the premises shown in the Declarations occupied by you is untenable, not to exceed the fair rental value of such untenable portion of the **building** you occupy.

Rental income does not mean bank interest or investment income.

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

(continued)

Research And Development Income

Research and development income means:

- grants, endowments and other financial contributions made to you pursuant to written agreements to further **research and development operations**; less
- expenses, including any research and development payroll expense, that you do not continue to incur, due to the actual impairment of such **research and development operations**,

provided you:

- report the value of such agreements to us by the inception of this policy;
- report the value of any agreements executed after the inception of this policy to us within 90 days of their execution;
- report any amendments to such agreements that change the value of such agreements within 90 days of the execution of such amendments; and
- continue your **research and development operations**.

Except as provided under the Newly Acquired Research And Development Income Premises Coverage, insurance for agreements executed after the inception of this policy will begin on the date you report the values for such agreements to us.

Research And Development Operations

Research and development operations means your business activities occurring at your premises, which are directly related to the development of new products or enhancement of existing products.

Research And Development Property

Research and development property means:

- written, printed or inscribed documents, plans, records or formulas;
- processes or cultures and resulting products, samples or other materials produced by such processes or cultures; and
- **prototypes**,

if produced and directly associated with your **research and development operations**.

Research and development property does not mean:

- animals;
- **money** or **securities**;
- property held for sale or held for delivery after sale;
- goods you have manufactured which are in their completed state and ready for sale;
- **mobile communication property**; or
- **electronic data**.

Robbery Of Money Or Securities

Robbery of money or securities means the unlawful taking of **money** or **securities** from:

- you;
- your partner;

Reference Copy

Definitions

Robbery Of Money Or Securities (continued)

- your employee; or
- any other person authorized by you to have custody of the **money** or **securities**,
by violence, threat of violence or any other overt felonious act committed in the presence and with cognizance of any such person.

Salespersons' Samples

Salespersons' samples means **personal property** that is in the custody of any one of your salespersons and used only for sample purposes.

Scientific Animals

Scientific animals means:

- animals;
- animals used to obtain by – products; or
- animals used for breeding other animals,
used for:
 - research and development; or
 - production of drugs, medical devices, dietary supplements or cosmetics.

Securities

Securities means:

- all negotiable and nonnegotiable instruments or contracts that represent either **money** or other property held by you in any capacity;
- revenue and other stamps in current use;
- tokens;
- tickets; and
- property of others that you hold as a pledge or as collateral for a loan.

Securities does not mean **money**.

Security Software

Security software means software or other computer applications or programming principally designed to detect, prevent or mitigate **malicious programming**.

Service Property

Service property means property outside of a **building**, owned or leased by you and used either on or off the premises shown in the Declarations, to supply such premises with water, communication, power, natural gas or sewage treatment service.

Sinkhole Collapse

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.

Sinkhole collapse does not mean:

- the cost of filling land; or
- the sinking or collapse of land into man-made cavities.

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

(continued)

Soft Costs

Soft costs means costs over and above the costs you would have incurred during construction work, including:

- extra construction costs you incur to continue construction and meet contract dates;
- construction loan interest on money borrowed to finance construction;
- realty taxes and other assessments on the construction site accruing during a period of delay;
- architect, engineering and consultant fees;
- legal and accounting fees;
- insurance premiums;
- advertising and promotional expenses; and
- costs and commissions resulting from renegotiating leases.

Specified Peril

Specified peril means:

- aircraft or self-propelled missiles;
- explosion;
- fire;
- leakage from fire protection equipment;
- lightning;
- mine subsidence;
- riot or civil commotion;
- **sinkhole collapse;**
- smoke;
- vandalism;
- vehicles;
- volcanic action; or
- windstorm or hail.

Stock

Stock means:

goods held in storage or for sale;

- **raw stock;**
- **stock in process;**
- **finished stock;** or
- **merchandise,**

including supplies used in their packing or shipping.

Reference Copy

Definitions

(continued)

Stock In Process

Stock in process means **raw stock** that has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**.

Sublease Profit

Sublease profit means the net profit you earn through subleasing the **building** or portion of the **building** that you rent for the unexpired term of the canceled lease or sublease, whichever would expire first. This amount is discounted based on the prime rate of interest at the time of direct physical loss or damage for the unexpired term of the canceled lease or sublease.

System

System means a computer and all input, output, processing, storage, off-line media library, and communication facilities which are connected to such computer, provided such computer and facilities are:

- owned and operated by you;
- leased and operated by you; or
- utilized by you pursuant to a written contract.

Technology Peril

Technology peril means:

- A. for **electronic data processing equipment, communication property** or **mobile communication property**, a peril not otherwise excluded; or
 - B. for **electronic data**:
 - 1. aircraft;
 - 2. explosion;
 - 3. falling objects;
 - 4. fire;
 - 5. freezing;
 - 6. leakage from fire protection equipment;
 - 7. lightning;
 - 8. riot or civil commotion;
 - 9. **sinkhole collapse**;
 - 10. smoke;
 - 11. vehicles;
 - 12. weight of snow;
 - 13. windstorm or hail; or
 - 14. earthquake (except in California) or **flood** to the extent covered under the Electronic Data Processing Property contract included in this policy.
-

Reference Copy

Property/Business Income

Conditions And Definitions For Life Sciences

Definitions

(continued)

Tenant's Improvements And Betterments

Tenant's improvements and betterments means fixtures, alterations, installations or additions:

- you make a part of a **building** you occupy but do not own; and
- you acquire or make at your expense but cannot legally remove.

Tenant's improvements and betterments does not mean:

- land, water or air, either inside or outside of a structure;
- paved or concrete surfaces;
- retaining walls;
- foundations or supports below the surface of the lowest floor or basement;
- **outdoor trees, shrubs, plants or lawns**; or
- growing crops.

Tenants' Lease Interest

Tenants' lease interest means:

- the difference between the appraised rental value of the leased premises at the time of direct physical loss or damage for the unexpired term of the lease and the actual rent due for the same period, discounted by the prime rate of interest at the time of direct physical loss or damage, for the unexpired term of the canceled lease; or
- the difference between the rent due for the unexpired term of the canceled lease and the rent due under the new lease for that same time period, not to exceed the difference between the actual rent due for the unexpired term of the canceled lease and the appraised rental value of the leased premises for that same period. This difference is discounted by the prime rate of interest at the time of direct physical loss or damage for the unexpired term of the canceled lease.

Unamortized

Unamortized means the period of time remaining in your lease at the time of loss or damage divided by the period of time from the date the **tenant's improvements and betterments** were made to the date that your lease expires.

Valuable Papers

Valuable papers means valuable:

- papers, documents, records, negatives, transparencies;
- tapes of all types;
- original plans, blueprints, specifications or designs; and
- original source material used to enter or program **electronic data**, but not the **electronic data** itself.

Valuable papers does not mean:

- **electronic data**;
- prepackaged software programs;
- **money**; or
- **securities**.

Reference Copy

Definitions

(continued)

Water

Water means water that:

- escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided such water is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems;
- backs up or overflows through sewers, drains or sump;
- seeps or leaks through basements, foundations, roofs, walls, floors or ceilings of any building or other structure; or
- enters doors, windows or other openings in any building or other structure.

Reference Copy

Property Insurance Section

Endorsements

Reference Copy

Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL PROVISIONS

The following changes are made as respects exposures in the state of Louisiana.

Under Conditions, Appraisal, Concealment Or Misrepresentation, Insured's Duties In The Event Of Loss Or Damage, Joint Loss Agreement, Lenders/Loss Payee, Loss Payment and Transfer Of Rights Of Recovery To Us are deleted and replaced by the following:

Conditions

Appraisal

If you and we do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss or damage. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. Each appraiser will separately state the value of the property and the amount of the loss or damage. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will not be binding on you and us.

You and we will equally share any other appraisal costs and the costs of the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

Reference Copy

Conditions

(continued)

Concealment Or Misrepresentation

This insurance is void if you or any other insured:

- conceals information;
- misrepresents information; or
- makes a false or fraudulent statement,

material to the assumption of the risk, with the intent to deceive when applying for coverage.

If such concealment, misrepresentation or false or fraudulent statement is made after the policy becomes effective, then coverage for loss or damage may be denied and the policy may be cancelled, except that coverage for any covered loss or damage that is not impacted by the concealment, misrepresentation or false or fraudulent statement shall remain in effect until the policy is cancelled.

Insured's Duties In The Event Of Loss Or Damage

You must see to it that the following are done in the event of loss or damage:

- Notify us, or one of our authorized representatives, as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income or Extra Expense Insurance, notify us by telephone, telegraph or facsimile at our expense.
- Notify the police if a law may have been violated.
- Take every reasonable step to protect the covered property from further loss or damage, and keep a record of your expenses necessary to protect such covered property for consideration in the settlement of the claim. This will not increase any Limit Of Insurance. However, we will not pay for any subsequent loss or damage resulting from a peril that is not a covered peril. Also, if feasible, set the lost or damaged property aside and in the best possible order for examination.
- If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- File with us, or with our authorized representative, sworn proof of loss within 90 days after the date of loss or damage.
- However, if the loss or damage arises due to a catastrophic event for which a state of disaster or emergency is declared pursuant to law by civil officials, and the covered property is located in an area within the declaration, you must submit the proof of loss to us within 180 days. This 180 day period does not commence as long as the declaration of disaster or emergency is in existence and civil authorities are denying you access to your property.
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.

Reference Copy

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Conditions

Insured's Duties In The Event Of Loss Or Damage (continued)

- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, permit us to inspect the property and examine your books and records.
- Permit us to take samples of the damaged and undamaged property for inspection, testing and analysis, and permit us to make copies of your books and records.
- Permit us to examine any insured under oath, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Failure of an agent or one of your employees, other than an officer, to notify us of any loss or damage that such agent or employee knows about will not affect the insurance afforded you by this policy.

Joint Loss Agreement

- A. This condition is intended to facilitate payment in the event of loss or damage to property that is covered by:
 - 1. this insurance; and
 - 2. Boiler and Machinery insurance issued by a different insurer; andwhen there is agreement between the insuring companies as to the existence of coverage, but a disagreement as to the amount of the loss or damage to be paid by each insuring company.
- B. The provisions of paragraph C. of this condition apply only if all of the following requirements are met:
 - 1. the Boiler and Machinery insurance contains a provision with substantially the same requirements and procedures as contained in this condition;
 - 2. the loss or damage to the covered property was caused by a peril for which both we and the other insurer admit some liability for payment under the respective policies;
 - 3. the total amount of the loss or damage is agreed upon by you, us and the other insurer;
 - 4. we and the Boiler and Machinery insurer disagree as to the amount of loss or damage that each should pay for the lost or damaged covered property; and
 - 5. the named insured is the same under both policies.

Reference Copy

Conditions

Joint Loss Agreement (continued)

- C. If the requirements listed in Paragraph B. above are satisfied, we and the Boiler and Machinery insurer will make payments as follows:
1. we will pay, upon your written request, the entire amount for loss or damage that we have agreed upon as being covered solely by this insurance and one-half (1/2) the amount of loss or damage about which we and the other insurer disagree;
 2. the Boiler and Machinery insurer will pay, upon your written request, the entire amount of loss or damage agreed upon as being covered solely by the Boiler and Machinery insurance and one-half (1/2) the amount of loss or damage about which we and the other insurer disagree;
 3. the amount in disagreement to be paid by us under this condition shall not exceed the amount payable under the Loss Adjustment Condition of the Boiler and Machinery insurance;
 4. the amount to be paid under this condition shall not exceed the amount we would have paid had no Boiler and Machinery insurance been in effect at the time of loss or damage;
 5. acceptance by you of payments under this condition does not alter, waive or surrender any of our rights under this policy; and
 6. we and the other insurer agree to submit our differences to arbitration within 90 days after payment, and you agree to cooperate with any arbitration proceedings. There will be three arbitrators: one will be appointed by us, and the second will be appointed by the other insurer. Then, the two arbitrators will select a third arbitrator. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. A decision agreed to by any two of the three arbitrators will not be binding on us and the other insurer. Judgement on any award may be sought in any court having jurisdiction.

Lenders/Loss Payee

If any Loss Payee shown in the Schedule of Mortgagees and Loss Payees is a creditor whose interest in **personal property** or **electronic data processing property** is established by a written instrument and both you and such Loss Payee have an insurable interest in lost or damaged **personal property** or **electronic data processing property**, we will:

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and to each such Loss Payee, in their order of precedence, as interests may appear.

Each Loss Payee has the right to receive loss payment, even though:

- we denied your claim because you failed to comply with the terms of this insurance; or
- such Loss Payee starts foreclosure or similar actions on the **personal property** or **electronic data processing property**,

if such Loss Payee:

- pays any premium due at our request if you have failed to do so;
- submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- has notified us of any change in ownership, occupancy or substantial change in risk known to such Loss Payee.

Reference Copy

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Conditions

Lenders/Loss Payee (continued)

Each Loss Payee's right to receive loss payment is limited to the lesser of the following:

- the actual cash value as described under Loss Payment Basis of the lost or damaged **personal property or electronic data processing property**;
- their financial interest in the **personal property or electronic data processing property** as shown in the written evidence; or
- the applicable Limit Of Insurance for Personal Property or Electronic Data Processing Property shown in the Declarations.

If we pay any Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this insurance, such Loss Payee's rights:

- will be transferred to us to the extent of the amount we pay; and
- to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to any Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

If we cancel this insurance, we will give written notice to the loss payee at least:

- 20 days before the effective date of cancellation, if we cancel for your nonpayment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any other reason.

Failure to provide such notice shall not invalidate such cancellation.

To satisfy the requirements of any Loss Payee shown in the Schedule of Mortgages and Loss Payees, copies of policies or certified copies of policies may be sent to these Loss Payees. In no event are copies of policies sent to Loss Payees to be considered as increasing the Limits Of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

Loss Payment

- A. We will pay the amount due for covered loss or damage within 30 days after we receive satisfactory sworn proof of loss. In the event of a dispute, we will pay the undisputed portion of the claim within 30 days after we receive the satisfactory sworn proof of loss. This 30 day requirement will not apply if the covered loss or damage caused by or resulting from fire is arson related and is under active arson investigation by legal authorities. However, we have no duty to provide coverage under this policy if the failure to comply with the terms of this policy is prejudicial to us.

Reference Copy

Conditions

Loss Payment (continued)

- B. We will not pay you more than your financial interest in the covered property.
- C. We may adjust losses with the owners of lost or damaged covered property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' covered property. We will not pay the owners more than their financial interest in such property.
- D. We may elect to defend you against suits arising from claims of owners of covered property. We will do this at our expense.
- E. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

Transfer Of Rights Of Recovery To Us

If any person to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair our rights.

You may waive your rights against another party in writing:

- A. prior to direct physical loss or damage to covered property; or
- B. after direct physical loss or damage to covered property only if, at the time of direct physical loss or damage, that party is one of the following:
 - 1. another person or organization insured by this insurance;
 - 2. a person or organization who has a proprietary interest in you;
 - 3. a person or organization in which you have a proprietary interest;
 - 4. any of your employees;
 - 5. a person or organization having an interest as owner, lessor or lessee of the premises on which the loss occurred and the employees, partners and stockholders of such owner, lessor or lessee; or
 - 6. any of your relatives if you are an individual.

This will not restrict your insurance.

We are entitled to recover from the insured any compensation received by the insured for such waiver, not to exceed the amount paid to you for such loss or damage.

All other terms and conditions remain unchanged.

Authorized Representative



Reference Copy

Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY
GENERAL PROVISIONS

Under Loss Payment Basis, the following provision is added:

Loss Payment Basis

Valued Policies

When this policy is written to insure any **building**:

- against loss or damage caused by or resulting from a peril not otherwise excluded; and
- which is located in a jurisdiction which requires that in the event of total loss to such **building**, the limit of insurance applicable to such **building** shall be the true value of the **building** and the true amount of the loss,

we will pay no more than the lesser of the:

- applicable Limit Of Insurance under this policy that applies to the **building**;
- actual cash value of that part of the **building** damaged; or
- cost to repair or replace the damaged **building** after application of deductible without deduction for depreciation.

This Valued Policies Loss Payment Basis does not apply to any **building** subject to a Limit of Insurance applicable to:

- more than one **building**; or
- **building** and any other coverage combined.

Reference Copy

Property Endorsement
(continued)

All other terms and conditions remain unchanged.

Authorized Representative

A handwritten signature in black ink, appearing to be "P. M. S.", written over a horizontal line.

Property Insurance

Endorsement

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013
Effective Date AUGUST 19, 2012
Policy Number 3579-64-71 DAL
Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued OCTOBER 11, 2012

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY
BUSINESS INCOME WITH EXTRA EXPENSE
EXTRA EXPENSE
ELECTRONIC DATA PROCESSING PROPERTY

If Business Income With Extra Expense, Business Income With Extra Expense And Research And Development Income, Rental Income, Business Income Without Extra Expense or Extra Expense, is shown above, the following are added under Premises Coverages:

Premises Coverages

Alternative Power Generation

We will pay for the actual:

- A. **extra expense** you incur, if such coverage is provided:
1. due to the actual or potential impairment of your **operations**; and
 2. during the **period of restoration**,
to purchase substitute power from a third party; and
- B. **business income** or **rental income** loss you incur, if such coverage is provided:
1. due to the actual impairment of your **operations**; and
 2. during the **period of restoration**.

due to the loss of credits, reimbursements, rebates or other sums you receive from a third party that utilizes surplus power that you generate from **alternative power generating equipment**.

The actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **alternative power generating equipment**.

Property Endorsement
(continued)

This Premises Coverage applies until the **alternative power generating equipment** is repaired or replaced and fully operational in accordance with the manufacturer's specifications.

The most we will pay for Alternative Power Generation loss is the applicable Limit Of Insurance for Business Income, Rental Income or Extra Expense shown in the Declarations.

This Alternative Power Generation Premises Coverage does not apply at any premises that supplies your premises with utility services.

Alternative Water Systems

We will pay for the actual **extra expense** you incur:

- due to the actual or potential impairment of your **operations**; and
- during the **period of restoration**,

to purchase substitute water from a third party.

The actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **alternative water system**.

This Premises Coverage applies until the **alternative water system** is repaired or replaced and fully operational in accordance with the manufacturer's specifications.

The most we will pay for Alternative Water Systems loss is the applicable Limit Of Insurance for Business Income or Extra Expense shown in the Declarations.

This Alternative Water Systems Premises Coverage does not apply at any premises that supplies your premises with utility services.

Loss Payment Basis

Green Standards

Subject to the applicable Limits Of Insurance shown in the Declarations, if you repair or replace covered property, the valuation will include necessary and incurred expenses to:

- hire professionals accredited pursuant to **green standards** to participate in the repair or replacement of the covered property;
- register and certify the repaired or replaced covered property pursuant to **green standards**;
- dispose of debris, certified pursuant to **green standards**, at recycling facilities, if such debris can be recycled; and
- ventilate the repaired or replaced covered property in a manner consistent with **green standards**.

When direct physical loss or damage is caused by or results from both:

- a peril not otherwise excluded; and

Reference Copy

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

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-
- an excluded peril,

the valuation will not include the **green standards** costs attributable to the excluded peril. Instead, the valuation will be based on that portion of such costs equal to the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage, not including **green standards** costs, unless the **green standards** apply solely to that portion of the covered property which suffered the covered direct physical loss or damage.

This Loss Payment Basis does not include any increase in costs, loss or damage;

- to clean up or remove **pollutants** from land, water or air either inside or outside of a **building**;
- to clean up, remove, restore or replace covered property because of the presence of **fungus** either inside or outside of a **building**;
- to clean up, remove, restore or replace polluted land, water or air either inside or outside of a **building**; or
- attributable to any **green standards** you did not comply with before the loss, regardless of when such **green standards** became effective.

This Green Standards Loss Payment Basis does not apply to:

- loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination;
- the Fungus Clean-up Or Removal Premises Coverage or Pollutant Clean-up Or Removal Additional Coverage; or
- **stock**.

Under Definitions, the following are added:

Definitions

Alternative Power Generating Equipment

Alternative power generating equipment means equipment that has been certified pursuant to **green standards**, which is used in:

- solar energy systems;
- wind energy systems;
- geothermal energy systems;

Reference Copy

Property Endorsement
(continued)

- low impact hydroelectric systems; or
- any other system that generates electricity from renewable resources.

Alternative Water System

Alternative water system means equipment situated above or below ground which is used to collect and circulate gray water, ground water or rain water to the domestic, non-potable water supply of a **building** or to water treatment facilities or outside irrigation facilities at the premises shown in the Declarations.

Alternative water system does not include underground pipes or sprinkler heads intended solely for landscape irrigation.

Green Standards

Green standards means:

- the LEED[®] Green Building Rating System[™] of the United States Green Building Council;
- requirements of the Green Globes[®] Assessment And Rating System of the Green Building Initiative;
- Energy Star[®] qualified requirements; or
- other site development, water savings, energy efficiency, materials or equipment selection and other environmental quality standards for the design and construction of property.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL PROVISIONS
ACCOUNTS RECEIVABLE
BUILDING AND PERSONAL PROPERTY
BUSINESS INCOME WITH EXTRA EXPENSE
ELECTRONIC DATA PROCESSING PROPERTY
EXTRA EXPENSE
FINE ARTS
MONEY AND SECURITIES
PERSONAL PROPERTY IN TRANSIT
RESEARCH AND DEVELOPMENT PROPERTY
VALUABLE PAPERS

A new section titled Terrorism Provisions is added to the end of this contract.

Terrorism Provisions

Certified Act Of Terrorism Exclusion

This insurance does not apply to loss or damage caused directly or indirectly by a **certified act of terrorism**, regardless of any other cause or event that contributes:

- concurrently; or
- in any sequence,

to the loss or damage.

This Certified Act Of Terrorism exclusion does not apply to ensuing loss or damage caused by or resulting from fire. This exception for fire applies:

- only to direct physical loss or damage by fire to **building or personal property**. Therefore, for example, the exception does not apply to insurance provided under **business income** and/or **extra expense** or endorsements which apply to these forms, or to the Care, Custody Or Control Legal Liability or Leasehold Interest contracts; and

Property Endorsement

(continued)

- if the fire would be covered under this insurance and there is a law in effect in the jurisdiction where the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage.

Application Of Other Exclusions

The terms and limitations of any terrorism exclusion or sublimit, or the inapplicability or omission of a terrorism exclusion or sublimit, do not serve to create coverage for any loss which would otherwise be excluded or sublimited under this policy, such as losses excluded by the Nuclear Hazard exclusion or the War And Military Action exclusion.

Ordinance Or Law Loss Payment Basis

The Ordinance Or Law Loss Payment Basis provision does not apply to loss or damage caused by or resulting from fire which ensues from a **certified act of terrorism**.

Ensuing Fire Loss Payment Basis Exception

Building or personal property which suffers direct physical loss or damage caused by or resulting from fire which ensues from a **certified act of terrorism** is valued on an actual cash value basis, subject to all other exceptions described under Loss Payment Basis Exceptions.

Cap On Ensuing Fire Resulting From Certified Terrorism Losses

- If:
- aggregate insured losses attributable to one or more **certified acts of terrorism** under the **terrorism law** exceed \$100 billion in a Program Year (January 1 through December 31); and
 - we have met our insurer deductible under the **terrorism law**,
- we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

A new section titled Terrorism Definitions is added.

Terrorism Definitions

Certified Act Of Terrorism

Certified act of terrorism means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act:

- A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure; and
- B. that results in damage:
 - 1. within the **United States**; or
 - 2. outside of the **United States** in the case of:
 - a. an air carrier or vessel as described in the **terrorism law**; or

Property Insurance

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b. the premises of a mission of the United States of America,
which was committed by an individual or individuals as part of an effort to:

- coerce the civilian population; or
- influence the policy or affect the conduct of the Government,
of the **United States**.

Certified act of terrorism does not include an act that:

- is committed as part of the course of a war declared by the Congress of the **United States**; or
- does not result in property and casualty insurance losses that exceed \$5 million in the aggregate and are attributable to all types of insurance subject to the **terrorism law**.

State

State means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any territory or possession of the United States of America.

Terrorism Law

Terrorism law means the Terrorism Risk Insurance Act of 2002 (Pub.L.107-297) as amended by the Terrorism Risk Insurance Extension Act of 2005 (Pub.L.109-144) and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (Pub.L.110-160).

United States

United States means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY

Under Premises Coverages, the following is added:

Premises Coverages

<i>Stock</i>	We will pay for direct physical loss or damage to stock caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Stock shown in the Declarations.
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Under Deductible, the following is added:

Deductible

<i>Stock</i>	<p>We will pay the amount of loss or damage to stock in excess of the applicable deductible amount shown under Stock in the Declarations, if such loss or damage is caused by or results from a peril not otherwise excluded.</p> <p>Such deductible amount will apply separately at each premises for each occurrence.</p>
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Reference Copy

Under Definitions, and only with respect to the premises shown in the Declarations for which a specific Limit Of Insurance for Stock is shown, the definition of Personal Property is deleted and replaced with the following:

Definitions

Personal Property

Personal property means:

- all your business personal property;
- business personal property you lease;
- **personal property of others;**
- labor, materials and services furnished or arranged by you on **personal property of others;**
- signs, fixtures, glass and other **tenant's improvements and betterments;** and
- glass in **buildings** you do not own if you are legally or contractually required to maintain such glass.

Personal property does not mean:

- **building**, except **tenant's improvements and betterments** and glass in **buildings** you do not own if you are legally or contractually required to maintain such glass;
- **stock;**
- land, water or air, either inside or outside of a structure;
- retaining walls;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- trailers;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **electronic data;**
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as provided under the Deferred Payments Additional Coverage;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance;
- animals;
- any personal property which is in or below underground mines or mine shafts; or

Reference Copy

Property Insurance

Endorsement

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Definitions

Personal Property
(continued)

· **mobile communication property.**

All other terms and conditions remain unchanged.

Authorized Representative



Reference Copy

Property Insurance

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<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

BUILDING AND PERSONAL PROPERTY
BUSINESS INCOME WITH EXTRA EXPENSE R&D INCOME
BUSINESS INCOME WITH EXTRA EXPENSE
ELECTRONIC DATA PROCESSING PROPERTY
EXTRA EXPENSE

SCHEDULE

Premises: 4099 HIGHWAY 190
COVINGTON, LOUISIANA 70433

COVERAGE:
ALL COVERAGES LISTED ABOVE

DESIGNATED PERILS

DESIGNATED
LIMITS OF INSURANCE

CHANGE IN TEMPERATURE/SPOILAGE

\$ 250,000

Premises: 68424 JAMES ST
MANDEVILLE, LOUISIANA 70471

COVERAGE:
ALL COVERAGES LISTED ABOVE

DESIGNATED PERILS

DESIGNATED
LIMITS OF INSURANCE

CHANGE IN TEMPERATURE/SPOILAGE

\$ 1,000,000

Property Endorsement
(continued)

Premises: 68468 JAMES ST
MANDEVILLE, LOUISIANA 70471

COVERAGE:
ALL COVERAGES LISTED ABOVE

DESIGNATED PERILS

DESIGNATED
LIMITS OF INSURANCE

CHANGE IN TEMPERATURE/SPOILAGE

\$ 250,000

Premises: 2008 CLAIBORNE AVE
SHREVEPORT, LOUISIANA 71103

COVERAGE:
ALL COVERAGES LISTED ABOVE

DESIGNATED PERILS

DESIGNATED
LIMITS OF INSURANCE

CHANGE IN TEMPERATURE/SPOILAGE

\$ 7,500,000

Premises: 2001 KINGS HWY
SHREVEPORT, LOUISIANA 71103

COVERAGE:
ALL COVERAGES LISTED ABOVE

DESIGNATED PERILS

DESIGNATED
LIMITS OF INSURANCE

CHANGE IN TEMPERATURE/SPOILAGE

\$ 250,000

Premises: 4580 MENDENHALL ROAD
MEMPHIS, TENNESSEE 38141

COVERAGE:
ALL COVERAGES LISTED ABOVE

DESIGNATED PERILS

DESIGNATED
LIMITS OF INSURANCE

CHANGE IN TEMPERATURE/SPOILAGE

\$ 1,000,000

Policy language follows

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

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Under Limits Of Insurance, and only with respect to the forms shown above and the coverages and premises shown in the Schedule above, Limits Of Insurance are deleted and replaced with the following:

Limits Of Insurance

Subsidiary Limits Of Insurance

The most we will pay in any **occurrence** for:

- direct physical loss or damage;
- **business income** or **rental income** loss; and
- **extra expense**,

at the premises and for the applicable Coverages shown in the Schedule above caused by or resulting from the applicable Designated Peril(s) shown in the Schedule above and defined in the Definitions section of this endorsement, is the applicable Subsidiary Limit Of Insurance shown in the Schedule above.

Under Conditions, the following are added:

Conditions

Building And Personal Property Coinsurance

Coinurance on **building** or **personal property** does not apply to the Limits Of Insurance shown in the Schedule of this endorsement.

Business Income Or Rental Income Coinsurance

Coinurance on **business income** or **rental income** does not apply to the Limits Of Insurance shown in the Schedule of this endorsement.

Under Definitions, the following definitions are added:

Definitions

Discharge Of Water

Discharge of water means water that escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided such water is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems.

De finitions

Discharge Of Water (continued)

Discharge of water does not mean:

- water or other substance discharged from within any part of fire protection equipment; or
- ensuing loss or damage caused by or resulting from a **specified peril**.

Electric Arcing

Electric arcing means direct physical loss or damage to property caused by or resulting from electric arcing of that property.

Electric arcing does not mean ensuing direct physical loss or damage caused by or resulting from a peril not otherwise excluded.

Inherent Vice/Latent Defect

Inherent vice/latent defect means:

- inherent vice; or
- hidden or latent defect.

Inherent vice/latent defect does not mean:

- loss or damage caused by or resulting from a **specific peril**; or
- ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Inundation, Back-Up And Mudflow

Inundation, back-up and mudflow means:

- A. surface water;
- B. mudslide or mudflow;
- C. water that backs up or overflows from a sewer, drain or sump; or
- D. water under the ground surface pressing on, flowing or seeping through:
 - 1. foundations, walls, or paved surfaces;
 - 2. basements, whether paved or not; or
 - 3. doors, windows or other openings,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Inundation, back-up and mudflow does not mean ensuing loss or damage caused by or resulting from a **specified peril**.

Leakage From Fire Protection Equipment

Leakage from fire protection equipment means:

- water or other substance discharged from within any part of the fire protection equipment for the premises or for adjoining premises;
- collapse of tanks forming a part of the fire protection equipment, including the component parts or supports of those tanks; or

Property Insurance

Endorsement

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Definitions

Leakage From Fire Protection Equipment (continued)

- the cost of restoring the damaged portion of the fire protection equipment in the event loss or damage to the fire protection equipment is caused by or results from freezing.

Fire protection equipment means tanks, water mains, hydrants or valves and any other equipment or its component parts whether used solely for fire protection or jointly for fire protection and for other purposes.

Mechanical Breakdown

Mechanical breakdown means direct physical loss or damage to property caused by or resulting from mechanical breakdown of that property.

Mechanical breakdown does not mean ensuing direct physical loss or damage caused by or resulting from a peril not otherwise excluded.

Mine Subsidence

Mine subsidence means lateral or vertical movement, including collapse, caused by or resulting from the collapse of man-made underground mines.

Mine subsidence does not mean:

- breakage or collapse of underground water or sewage systems, whether or not in use;
- collapse of transit tunnels, whether or not in use; or
- the cost of filling land.

Sinkhole Collapse

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.

Sinkhole collapse does not mean:

- the cost of filling land; or
- the sinking or collapse of land into man-made cavities.

Steam Boiler

Steam boiler means direct physical loss or damage to any steam boiler, steam pipe, steam turbine or steam engine caused by or resulting from any condition or **occurrence** within that steam boiler, steam pipe, steam turbine or steam engine; and

- any resulting **business income** or **rental income** loss; or
- any resulting **extra expense**,

if covered.

Definitions

(continued)

Theft

Theft means the unlawful taking and carrying away of covered property with the intent to deprive the rightful owner of that covered property.

Vandalism

Vandalism means the willful and malicious damage to or destruction of covered property.

Vandalism does not mean **theft**.

Volcanic Action

Volcanic action means:

- airborne volcanic blast or shock waves;
- ash, dust or particulate matter; or
- lava flows,

arising out of the eruption of a volcano and the costs to remove ash, dust or particulate matter from covered property arising out of an eruption of a volcano only when such ash, dust or particulate matter causes direct physical loss or damage to such covered property.

Voluntary Parting

Voluntary parting means voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

Windstorm Or Hail

Windstorm or hail means windstorm or hail.

Windstorm or hail does not mean:

- frost;
- cold weather;
- snow; or
- sleet or ice (other than hail),

whether driven by wind or not.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:
BUILDING AND PERSONAL PROPERTY

SCHEDULE

Premises: 2008 CLAIBORNE AVE
SHREVEPORT, LOUISIANA 71103

DEDUCTIBLE: \$ 5,000

PERSONAL PROPERTY ARTICLE:
EQUIPMENT

LIMIT OF INSURANCE: \$ 578,000

Policy language follows

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Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Under Premises Coverages, and only with respect to the **personal property** shown in the Schedule above, Building or Personal Property is deleted and replaced with the following:

Premises Coverages

Scheduled Personal Property

We will pay for direct physical loss or damage to **personal property** shown in the Schedule above, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance applicable to each article of **personal property** shown in the Schedule above.

Under Additional Coverages, and only with respect to the **personal property** shown in the Schedule above, Newly Acquired Property is deleted.

Additional Coverage

Newly Acquired Property

Under Policy Exclusions, and only with respect to the **personal property** shown in the Schedule above, the exclusions are deleted and replaced with the following:

Policy Exclusions

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest or criminal acts or omissions committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, and employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to:

- A. acts of vandalism;
- B. acts committed by carriers or warehousemen for hire or anyone claiming to be a carrier or warehouseman for hire, other than:
 - 1. you, your partners, directors, trustees and employees;
 - 2. anyone performing acts coming within the scope of the usual duties of your employees; or
 - 3. anyone authorized to act for you; or
- C. ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Policy Exclusions

(continued)

Earthquake In The State Of California

This insurance does not apply to loss or damage caused by or resulting from earthquake that occurs in the state of California, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Earthquake In The State Of California exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Governmental Or Military Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental authority or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental Or Military Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental authority or military authority when taken at the time of a fire to prevent its spread, if the fire would be covered under this insurance.

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Nuclear Hazard exclusion does not apply to ensuing loss or damage to **personal property** caused by or resulting from fire, if the fire would be covered under this insurance and there is a law in effect in the jurisdiction where the loss or damage occurs that expressly prohibits us from excluding such ensuing loss or damage.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental authority, whether de jure or de facto, in hindering or defending against any of these,

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Policy Exclusions

War And Military Action (continued)

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or deterioration.

This Wear And Tear exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril** or **water**.

Under Additional Exclusions and only with respect to the **personal property** shown in the Schedule above, the Additional Exclusions are deleted.

Additional Exclusions

Under Deductible, and only with respect to the **personal property** shown in the Schedule above, Deductible is deleted and replaced with the following:

Deductible

Scheduled Personal Property

We will pay the amount of loss or damage in excess of the deductible amount applicable to each article of **personal property** shown in the Schedule above.

Under Loss Payment Basis, and only with respect to the **personal property** shown in the Schedule above, Loss Payment Basis is deleted and replaced with the following:

Loss Payment Basis

Scheduled Personal Property

In the event of loss or damage to **personal property** shown in the Schedule above, we will:

- A. in the event of a partial loss, pay the cost to repair the **personal property**, subject to the Limit Of Insurance shown in the Schedule above; or
- B. pay the Limit Of Insurance for Personal Property shown in the Schedule above if:
 1. such **personal property** cannot be repaired; or

Loss Payment Basis

*Scheduled Personal
Property
(continued)*

2. the cost of repair is in excess of the applicable Limit Of Insurance for Personal Property shown in the Schedule above.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:
ACCOUNTS REC., FINE ARTS, MONEY & SEC., VALUABLE PAPERS
BUILDING AND PERSONAL PROPERTY
CHANGE IN CONTROLLED ENVIRONMENT FOR LIFE SCIENCES
CONTAMINATION FOR LIFE SCIENCES
ELECTRONIC DATA PROCESSING PROPERTY
PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

SCHEDULE

Premises: Personal Property - In Transit and
At Any Other Location

COVERAGES

PERSONAL PROPERTY

EXCLUSIONS

FLOOD

Policy language follows

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Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Additional Exclusions

Under Additional Exclusions, the exclusions shown in the Schedule above are added.

Except for In Transit, International Air Shipments, Any Other Location, Exhibition, Fair Or Trade Show, Salespersons Samples, Deferred Payments and Installation, and Newly Acquired Premises, these exclusions:

- apply only at the premises and for the applicable coverages shown in the Schedule above; and
- are described in the Additional Exclusions section of this endorsement.

For In Transit, International Air Shipments, Any Other Location, Exhibition, Fair Or Trade Show, Salespersons Samples, Deferred Payments and Installation, and Newly Acquired Premises, these exclusions:

- apply to the coverages shown in the Schedule above; and
- are described in the Additional Exclusions section of this endorsement.

Additional Exclusions

Discharge Of Water

This insurance does not apply to:

- loss or damage;
- a **change in controlled environment**;
- **contamination**; or
- **radioactive contamination**,

caused by or resulting from water that escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided such water is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems.

This Discharge Of Water exclusion does not apply to:

- water or other substance discharged from within any part of fire protection equipment; or
- ensuing loss or damage caused by or resulting from a **specified peril**.

Inundation, Back-Up And Mudflow

This insurance does not apply to:

- loss or damage;
- a **change in controlled environment**;
- **contamination**; or
- **radioactive contamination**,

Additional Exclusions

Inundation, Back-Up And Mudflow (continued)

caused by or resulting from:

- A. surface water;
- B. mudslide or mudflow;
- C. water that backs up or overflows from a sewer, drain or sump; or
- D. water under the ground surface pressing on, flowing or seeping through:
 - 1. foundations, walls, or paved surfaces;
 - 2. basements, whether paved or not; or
 - 3. doors, windows or other openings,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, **change in controlled environment, contamination or radioactive contamination**, even if such other cause or event would otherwise be covered.

This Inundation, Back-Up And Mudflow exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Leakage From Fire Protection Equipment

This insurance does not apply to loss or damage caused by or resulting from:

- water or other substance discharged from within any part of the fire protection equipment for the premises or for adjoining premises;
- collapse of tanks forming a part of the fire protection equipment, including the component parts or supports of those tanks; or
- freezing of fire protection equipment.

This Leakage From Fire Protection Equipment exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

For the purpose of this exclusion, **specified peril** does not include leakage from fire protection equipment.

Mine Subsidence

This insurance does not apply to loss or damage caused by or resulting from:

- lateral or vertical movement, including collapse, resulting from the collapse of man-made underground mines;
- breakage or collapse of underground water or sewage systems, whether or not in use;
- collapse of transit tunnels, whether or not in use; or
- the cost of filling land.

This Mine Subsidence exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

For the purpose of this exclusion, **specified peril** does not include mine subsidence.

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Additional Exclusions

(continued)

Sinkhole Collapse

This insurance does not apply to loss or damage caused by or resulting from:

- the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite;
- the cost of filling land; or
- the sinking or collapse of land into man-made cavities.

This Sinkhole Collapse exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

For the purpose of this exclusion, **specified peril** does not include **sinkhole collapse**.

Theft

This insurance does not apply to loss or damage caused by or resulting from **theft**.

This Theft exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Vandalism

This insurance does not apply to loss or damage caused by or resulting from willful and malicious damage to or destruction of property.

This Vandalism exclusion does not apply to:

- loss or damage caused by or resulting from **theft**; or
- ensuing loss or damage caused by or resulting from a **specified peril**.

For the purpose of this exclusion, **specified peril** does not include vandalism.

Volcanic Action

This insurance does not apply to

A. loss or damage caused by or resulting from:

1. airborne volcanic blast or shock waves;
2. ash, dust or particulate matter; or
3. lava flows; and

B. the costs to remove ash, dust or particulate matter from covered property that does not cause direct physical loss or damage to such covered property,

arising out of an eruption of a volcano.

Additional Exclusions

Volcanic Action *(continued)*

This Volcanic Action exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

For the purpose of this exclusion, **specified peril** does not include volcanic action.

Voluntary Parting

This insurance does not apply to loss or damage caused by or resulting from voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

This Voluntary Parting exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Windstorm Or Hail

This insurance does not apply to loss or damage caused by or resulting from windstorm or hail.

This Windstorm Or Hail exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

For the purpose of this exclusion, **specified peril** does not include windstorm or hail.

Under Definitions, the following definition is added:

Definitions

Theft

Theft means the unlawful taking and carrying away of covered property with intent to deprive the rightful owner of that covered property.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:
BUILDING AND PERSONAL PROPERTY

SCHEDULE

Premises:	2008 CLAIBORNE AVE SHREVEPORT, LOUISIANA 71103
Premises:	4580 S MENDENHALL RD MEMPHIS, TENNESSEE 38141

Policy language follows

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Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Under Loss Payment Basis Exceptions, and only with respect to the premises shown in the Schedule above, the Finished Stock And Sold Personal Property Loss Payment Basis Exception is deleted.

Loss Payment Basis Exceptions

*Finished Stock And Sold
Personal Property*

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

ACCOUNTS REC., FINE ARTS, MONEY & SEC., VALUABLE PAPERS
BUILDING AND PERSONAL PROPERTY
BUSINESS INCOME WITH EXTRA EXPENSE R&D INCOME
CHANGE IN CONTROLLED ENVIRONMENT FOR LIFE SCIENCES
CONTAMINATION FOR LIFE SCIENCES
ELECTRONIC DATA PROCESSING PROPERTY
EXTRA EXPENSE
PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

SCHEDULE

Policy Annual Aggregate Limit Of Insurance: \$ 2,000,000

Premises:	Premises Limits, Deductible or Waiting Period: Aggregate Limit: \$ 2,000,000 Per Occurrence Limit: \$ 2,000,000 Per Occurrence Physical Damage Deductible: \$ 100,000 Per Occurrence Business Income Waiting Period: 72 HOURS
Premises:	Includes Inundation, Back-Up And Mud Flow 4099 HIGHWAY 190 COVINGTON, LOUISIANA 70433
Premises:	68424 JAMES ST MANDEVILLE, LOUISIANA 70471
Premises:	68468 JAMES ST MANDEVILLE, LOUISIANA 70471
Premises:	2008 CLAIBORNE AVE SHREVEPORT, LOUISIANA 71103

Property Endorsement
(continued)

Premises: 2001 KINGS HWY
SHREVEPORT, LOUISIANA 71103

Policy language follows

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Under Additional Exclusions, and only with respect to the premises shown in the Schedule above, the Flood exclusion is deleted from the forms shown above.

Additional Exclusions

Flood

- A. Except as provided in paragraph E. below, this endorsement applies to the:
1. Premises Coverages;
 2. Additional Coverages; and
 3. Debris Removal Coverage,
- applicable to the premises shown in the Schedule above, only if a Limit Of Insurance for such coverage is shown in the Declarations at such premises shown in the Schedule above.
- B. This endorsement does not apply to:
1. the Additional Coverages for:
 - a. Any Other Location;
 - b. Exhibition, Fair Or Trade Show; or
 - c. Newly Acquired Premises; and
 2. any premises not shown in the Schedule above.
- C. If any form shown above does not contain an exclusion for Flood, the terms and conditions of this endorsement apply to such forms to the extent such forms apply at a premises shown in the Schedule above.
- D. If the Electronic Data Processing Property form is shown above, the terms and conditions of this endorsement apply to such form to the extent such form applies at a premises shown in the Schedule above.
- E. The Flood exclusion and any **flood** limitations are not deleted and remain in effect for:
1. Civil Authority;
 2. Dependent Business Premises;
 3. Fungus Clean-up Or Removal;
 4. Ingress And Egress;
 5. Loss Of Utilities; and
 6. Pollutant Clean-up And Removal,
- unless these Premises Coverages or Additional Coverages are shown in the Schedule above.

Additional Exclusions

Flood
(continued)

These Premises Coverages and Additional Coverages apply only at those premises where such Premises Coverages and Additional Coverages are shown in the Schedule above and do not apply to any premises to which the Any Other Location, Newly Acquired Property and Exhibition, Fair Or Trade Show Additional Coverages apply.

Under Limits Of Insurance, and only with respect to the premises shown in the Schedule above and the forms shown above, the following is added:

Limits Of Insurance

Flood

A. Per Occurrence Limit Of Insurance

Subject to the:

1. Policy Annual Aggregate Limit Of Insurance described in paragraph C. below and shown in the Schedule above;
2. Applicable Premises Annual Aggregate Limit Of Insurance described in paragraph B. below and shown under Premises Limits in the Schedule above; and
3. Applicable Property Damage Dollar Deductible, Property Damage Percentage Deductible or Waiting Period shown under Premises Limits in the Schedule above,

the most we will pay at all premises to which such limit applies, in any **occurrence** for direct physical loss or damage to property and **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood**, is the lesser of the applicable:

4. Limits Of Insurance shown in the Declarations; or
 5. Per Occurrence Limit Of Insurance shown in the Schedule above,
- regardless of any other cause or event that directly or indirectly:
6. contributes concurrently to; or
 7. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

B. Premises Annual Aggregate Limit Of Insurance

Subject to the Policy Annual Aggregate Limit Of Insurance, the applicable Premises Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises to which such limit applies, during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood**, regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to; or
2. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Limits Of Insurance

Flood
(continued)

C. Policy Annual Aggregate Limit Of Insurance

The Policy Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises shown in the Schedule above during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood**, regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to; or
2. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

For the peril of **flood**, the deductible provision is deleted:

- only with respect to the forms shown above; and
- for the premises shown in the Schedule above,

and is replaced with the following:

Deductible

A. Under Deductible, and for the premises shown in the Schedule above:

1. the percentage deductible shown for the applicable premises will apply; or
2. if no percentage deductible is shown, then the Property Damage Dollar Deductible amount shown for the applicable premises will apply.

B. In no event will the deductible amount determined above be less than the applicable Property Damage Minimum Dollar Deductible amount shown in the Schedule above.

C. The most we will pay, in any **occurrence** for direct physical loss or damage to property:

1. after application of Coinsurance, if applicable;
2. in excess of the applicable Property Damage Percentage Deductible or Property Damage Dollar Deductible shown in the Schedule above; and
3. for all the applicable property coverages provided in the forms shown above,

if such loss or damage is caused by or results from **flood**, is the lesser of the applicable Limits Of Insurance shown in the Declarations or shown in the Schedule above, regardless of any other cause or event that directly or indirectly:

4. contributes concurrently to; or
5. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Deductible
(continued)

- D. The applicable deductible shown in the Schedule above applies separately for each **occurrence**.
- E. Property Damage Percentage Deductible:
- As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings:
1. Specific Insurance covers each type of coverage under separate specific Limits Of Insurance at one premises (for example: each **building** or **personal property** in a **building**).
 2. Blanket and Loss Limit insurance covers:
 - a. two or more types of coverage at one or more premises under a single Limit Of Insurance (for example: **building** and **personal property** in that **building** or **buildings** and **personal property** at two or more premises); or
 - b. one type of coverage at two or more premises under a single Limit Of Insurance (for example, **personal property** at two or more premises).
- F. Types of coverages and corresponding Limits Of Insurance are the lesser of the Limits Of Insurance shown in the Declarations or in the Schedule above.
1. Specific Insurance:

In determining the amount, if any, that we will pay for loss or damage for each specific type of coverage that sustained direct physical loss or damage, we will separately for each type of coverage:

 - a. apply the applicable deductible percentage shown in the Schedule above, to the applicable Limit Of Insurance shown in the Declarations; or
 - b. if the applicable premises shown in the Schedule above shows Apply Percentage To Statement Of Values, we will multiply the deductible percentage shown in the Schedule above for that premises, by the 100% values you most recently furnished to us for the type of covered property that sustained direct physical loss or damage.

We will pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limit Of Insurance for each insured type of coverage.
 2. Blanket Insurance and Loss Limit Of Insurance:

In determining the amount, if any, that we will pay for loss or damage for each premises shown in the Schedule above, we will separately at each premises that sustained loss or damage:

 - a. apply the applicable percentage shown in the Schedule above to the sum of:
 - (1) the 100% values you most recently furnished to us for the types of covered property that sustained direct physical loss or damage; and
 - (2) the 100% values you most recently furnished to us for the same types of covered property that did not sustain direct physical loss or damage, but are located at the same premises that sustained loss or damage, to determine the applicable deductible; and
 - b. pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limits Of Insurance for such covered property.

If a loss involves both specific insurance and blanket insurance, the deductible amount will be determined and apply separately for blanket insurance and separately for specific insurance, subject to their applicable respective Limits Of Insurance.

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Deductible (continued)

- G. Property Damage Dollar Deductible:
1. The applicable Limits Of Insurance for the property coverages:
 - a. do not apply until the amount of loss or damage exceeds the applicable deductible amount shown above; and
 - b. apply in excess of the applicable deductible amount.
 2. If two or more Property Damage Dollar Deductibles apply to the same **occurrence**, only the largest single Property Damage Dollar Deductible will apply unless otherwise stated.
- H. Should you have **primary insurance** which insures against loss or damage caused by or resulting from **flood**, if the amount of loss payable under your **primary insurance**:
1. exceeds the **flood** deductible shown in the Schedule above, no deductible shall apply to **flood** under this policy; or
 2. is less than the **flood** deductible shown in the Schedule above,
we will pay the amount of loss or damage (after deduction for **primary insurance**) in excess of the difference between:
 3. the **flood** deductible shown in the Schedule above; and
 4. the amount of loss payable under your **primary insurance**.

For the peril of **flood**, the Waiting Period provision is deleted:

- only with respect to the forms shown above;
- for the premises shown in the Schedule above;
- for any premises shown in the Declarations; and
- for any premises not shown in the Schedule above and not shown in the Declarations,

and is replaced by the following:

Waiting Period

Following covered direct physical loss or damage to **property** at the premises shown above and at any premises not shown in the Schedule above and not shown in the Declarations, we will pay the amount of **business income** or **rental income** loss that is incurred after the applicable Waiting Period shown in the Schedule above, not to exceed the applicable Limits Of Insurance.

The applicable Waiting Period shown in the Schedule above:

- applies separately for each **occurrence** and to each type of coverage that sustained direct physical loss or damage;
- begins immediately following the direct physical loss or damage to **property** by a **covered peril**;

Waiting Period
(continued)

- only applies at premises that suffers a **business income** or **rental income** loss; and
- does not apply to **extra expense**.

If no waiting period is shown in the Schedule above, the waiting period will be the:

- applicable waiting period shown in the Declarations or as otherwise shown; or
- first 24 normal business hours following the direct physical loss or damage, whichever is longer.

Hours shown for the waiting period are normal business hours.

Loss Payment Basis

Under Loss Payment Basis, the following is added:

In the event of loss or damage covered by this insurance and **primary insurance**, our valuation will include any difference in loss payment due to a difference in methods of valuation under this insurance and the **primary insurance**.

Definitions

Under Definitions, the definition of Flood is deleted and replaced with the following:

Flood

Flood means:

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse, whether driven by wind or not.

Flood does not include:

- a **specified peril** that ensues from flood; or
- tsunami resulting from earthquake.

Flood includes **inundation, back-up and mudflow** only when, Flood Includes Inundation, Back-Up And Mudflow is shown under premises in the Schedule above.

Definitions

Under Definitions, the following definitions are added:

Inundation, Back-up And Mudflow

Inundation, back-up and mudflow means:

- A. surface water;
- B. mudslide or mudflow;
- C. water that backs up or overflows from a sewer, drain or sump; or

Property Insurance

Endorsement

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Definitions

*Inundation, Back-up And
Mudflow
(continued)*

- D. water under the ground surface pressing on, or flowing or seeping through:
1. foundations, walls, or paved surfaces;
 2. basements, whether paved or not; or
 3. doors, windows or other openings.

Inundation, back-up and mudflow does not mean ensuing loss or damage caused by or resulting from a **specified peril**.

Primary Insurance

Primary insurance means insurance covering all or any part of the deductible amount stated in the Schedule above and includes insurance provided under the National Flood Insurance Program.

Primary insurance also means any other valid and collectible insurance covering any amount in excess of the deductible amount stated in the Schedule above, but does not mean any insurance provided by this policy.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

ACCOUNTS REC., FINE ARTS, MONEY & SEC., VALUABLE PAPERS
BUILDING AND PERSONAL PROPERTY
BUSINESS INCOME WITH EXTRA EXPENSE R&D INCOME
CHANGE IN CONTROLLED ENVIRONMENT FOR LIFE SCIENCES
CONTAMINATION FOR LIFE SCIENCES
ELECTRONIC DATA PROCESSING PROPERTY
PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

SCHEDULE

Premises: Applicable to the following locations:
 1, 2, 3
 Dollar Deductible: \$100,000 MIN
 Percentage Deductible: 5%
 Waiting Period: 96 Hours

If Tier 1 or Tier 2 is shown in the Schedule above, the following applies:

Tier 1 locations means:

The following counties in the state of Alabama:

· Baldwin, Mobile

The following counties in the state of Florida:

· Bay, Brevard, Broward, Charlotte, Citrus, Collier, Dade, Dixie, Duval, Escambia, Flagler, Franklin, Gulf, Hernando, Hillsborough, Indian River, Jefferson, Lee, Levy, Manatee, Martin, Monroe, Nassau, Okaloosa, Palm Beach, Pasco, Pinellas, Santa Rosa, Sarasota, St. Johns, St. Lucie, Taylor, Volusia, Walton, and Wakulla

The following counties in the state of Georgia:

· Bryan, Camden, Chatham, Glynn, Liberty, McIntosh

Property Endorsement
(continued)

The following parishes in the state of Louisiana:

- Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Mary, St. Tammany, Terrebonne, Vermilion

The following counties in the state of Mississippi:

- Hancock, Harrison, Jackson

The following counties in the state of North Carolina:

- Brunswick, Camden, Carteret, Currituck, Dare, Hyde, New Hanover, Onslow, Pamlico, Pender

The following counties in the state of South Carolina:

- Beaufort, Berkeley, Charleston, Colleton, Georgetown, Horry, Jasper

The following counties in the state of Texas:

- Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Kenedy, Kleberg, Jackson, Jefferson, Matagorda, Nueces, Refugio, San Patricio, Willacy

The following counties in the state of Virginia:

- Accomack, City of Virginia Beach, Northhampton

Tier 2 locations means:

The following counties in the state of Alabama:

- Clarke, Covington, Escambia, Geneva, Monroe, Washington

The following counties in the state of Florida:

- Rest of State (Other than Tier 1 Florida counties)

The following counties in the state of Georgia:

- Brantley, Charlton, Effingham, Long, Wayne

The following parishes in the state of Louisiana:

- Acadia, Assumption, Calcasieu, Jefferson Davis, Lafayette, St. Charles, St. James, St. John the Baptist, St. Martin

The following counties in the state of Mississippi:

- George, Pearl River, Stone

The following counties in the state of North Carolina:

- Beaufort, Columbus, Craven, Jones, Pasquotank, Perquimans, Tyrrell

The following counties in the state of South Carolina:

- Dorchester, Hampton, Marion, Williamsburg

The following counties in the state of Texas:

- Bee, Brooks, Fort Bend, Goliad, Hardin, Harris, Hidalgo, Jim Wells, Liberty, Orange, Victoria, Wharton

The following counties in the state of Virginia:

- City of Chesapeake, City of Hampton, City of Newport News, City of Norfolk, City of Portsmouth

Policy language follows

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

For the peril of **windstorm**, the Deductible provision is deleted:

- only with respect to the forms shown above;
 - for the premises shown in the Schedule above; and
 - for any premises not shown in the Schedule above and not shown in the Declarations,
- and is replaced by the following:

Deductible

- A. For the premises shown in the Schedule above:
1. the percentage deductible shown for the applicable premises will apply; or
 2. if no percentage deductible is shown, then the Property Damage Dollar Deductible amount shown for the applicable premises will apply; and
- B. For any premises not shown in the Schedule above or in the Declarations, the applicable deductible will be the greater of:
1. the lowest percentage deductible shown in the Schedule above, subject to its applicable Property Damage Minimum Dollar Deductible Amount;
 2. if no percentage deductible is shown in the Schedule above, then the lowest Property Damage Dollar Deductible shown in the Schedule above; or
 3. the applicable property deductible shown in the Declarations
- C. In no event will the deductible amount determined above be less than the applicable Property Damage Minimum Dollar Deductible amount shown in the Schedule above.
- D. The most we will pay, in any **occurrence**, for direct physical loss or damage to property caused by or resulting from **windstorm**:
1. after application of Coinsurance, if applicable;
 2. in excess of the applicable Property Damage Percentage Deductible or Property Damage Dollar Deductible shown in the Schedule above; and
 3. for all the applicable property coverages provided in the forms shown above,
- is the lesser of the applicable Limits Of Insurance shown in the Declarations or as otherwise shown.
- E. The applicable deductible shown in the Schedule above applies separately at each premises for each **occurrence**.

Deductible
(continued)

F. Property Damage Percentage Deductible:

As used in this endorsement, the terms “specific insurance” and “blanket insurance” have the following meanings:

1. Specific insurance covers each type of coverage under separate specific Limits Of Insurance at one premises (for example, each **building** or **personal property** in a **building**).
2. Blanket and Loss Limit insurance covers:
 - a. two or more types of coverage at one or more premises under a single Limit Of Insurance (for example, **building** and **personal property** in that **building** or **building** and **personal property** at two or more premises); or
 - b. one type of coverage at two or more premises under a single Limit Of Insurance (for example, **personal property** at two or more premises).

G. Types of coverages and corresponding Limits Of Insurance are shown in the Declarations.

1. Specific Insurance:

In determining the amount, if any, that we will pay for loss or damage for each specific type of coverage that sustained direct physical loss or damage, we will separately for each such type of coverage:

- a. apply the applicable deductible percentage shown in the Schedule above, to the applicable Limits Of Insurance shown in the Declarations; or
- b. if the applicable premises shown in the Schedule above shows Apply Percentage To Statement Of Values, we will multiply the deductible percentage shown in the Schedule above for that premises, by the 100% values you most recently furnished to us for the type of covered property that sustained direct physical loss or damage.

We will pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limit Of Insurance for each insured type of coverage.

2. Blanket Insurance and Loss Limit Of Insurance:

In determining the amount, if any, that we will pay for loss or damage for each premises shown in the Schedule above, we will separately at each premises that sustained loss or damage:

- a. apply the applicable percentage shown in the Schedule above to the sum of:
 - (1) the 100% values you most recently furnished to us for the types of covered property that sustained direct physical loss or damage; and
 - (2) the 100% values you most recently furnished to us for the same types of covered property that did not sustain direct physical loss or damage, but are located at the same premises that sustained loss or damage,to determine the applicable deductible; and
- b. pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limits Of Insurance for such covered property.

If a loss involves both specific insurance and blanket insurance, the deductible amount will be determined and apply separately for blanket insurance and separately for specific insurance, subject to the applicable Limits Of Insurance.

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

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Deductible (continued)

- H. Property Damage Dollar Deductible:
- The applicable Limits Of Insurance for the property coverages:
1. do not apply until the amount of loss or damage exceeds the applicable deductible amount shown above; and
 2. apply in excess of that deductible amount.

For the peril of **windstorm**, the Waiting Period provision is deleted:

- only with respect to the forms shown above;
- for the premises shown in the Schedule above;
- for any premises shown in the Declarations; and
- for any premises not shown in the Schedule above and not shown in the Declarations,

and is replaced by the following:

Waiting Period

Following covered direct physical loss or damage to **property** at the premises shown above and at any premises not shown in the Schedule above and not shown in the Declarations, we will pay the amount of **business income** or **rental income** loss that is incurred after the applicable Waiting Period shown in the Schedule above, not to exceed the applicable Limits Of Insurance.

The applicable Waiting Period shown in the Schedule above:

- applies separately for each **occurrence** at each premises and to each type of coverage that sustained direct physical loss or damage;
- begins immediately following the direct physical loss or damage to **property** by a **covered peril**;
- only applies at premises that suffers a **business income** or **rental income** loss; and
- does not apply to **extra expense**.

If no waiting period is shown in the Schedule above, the waiting period will be the:

- applicable waiting period shown in the Declarations or as otherwise shown; or
 - first 24 normal business hours following the direct physical loss or damage,
- whichever is longer.

Hours shown for the waiting period are normal business hours.

Under Definitions, the following is added:

Definitions

Windstorm

Windstorm means:

- wind;
- wind-driven rain;
- erosion of soil or other land caused by or resulting from wind or wind driven rain;
- hail; or
- collapse of a building or other structure caused by or resulting from wind,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Windstorm does not mean:

- frost;
- cold weather;
- snow; or
- sleet or ice (other than hail),

whether driven by wind or not.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

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<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

ACCOUNTS REC., FINE ARTS, MONEY & SEC., VALUABLE PAPERS
BUILDING AND PERSONAL PROPERTY
PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS
BUSINESS INCOME WITH EXTRA EXPENSE R&D INCOME
ELECTRONIC DATA PROCESSING PROPERTY

SCHEDULE

Premises:	4580 S MENDENHALL RD MEMPHIS, TENNESSEE 38141	
Inundation, Back-up and Mudflow Deductible:		\$ 100,000

Policy language follows

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Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Under Deductible, and only with respect to the premises shown in the Schedule above, the following is added:

Deductible

Water

We will pay the amount of loss or damage in excess of the applicable Discharge Of Water, Inundation, Back-up And Mudflow, or Leakage From Fire Protection Equipment Deductible(s) shown in the Schedule above, if such loss or damage is caused by or results from **discharge of water, inundation, back-up and mudflow, or leakage from fire protection equipment**.

Such deductible amount:

- will apply separately at each premises in each **occurrence**; and
- does not apply to **business income** loss or **extra expense**.

If Business Income With Extra Expense, Business Income With Extra Expense And Research And Development Income, Rental Income or Business Income Without Extra Expense are shown above, the following applies.

Under Waiting Period, and only with respect to the premises shown in the Schedule above, the following is added:

Waiting Period

Water

We will pay the amount of **business income** or **rental income** loss that is incurred after the applicable Discharge Of Water, Inundation, Back-up And Mudflow, or Leakage From Fire Protection Equipment Waiting Period shown in the Schedule above, if such loss is caused by or results from **discharge of water, inundation, back-up and mudflow, or leakage from fire protection equipment**.

Such waiting period:

- will apply separately at each premises in each **occurrence**;
- begins immediately following the time of the covered direct physical loss or damage; and
- does not apply to **extra expense**.

Hours shown for a waiting period are normal business hours.

Under Definitions, the following definitions are added:

Definitions

Discharge Of Water

Discharge of water means water that escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided such water is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems.

Discharge of water does not mean:

- water or other substance discharged from within any part of **fire protection equipment**; or
- ensuing loss or damage caused by or resulting from a **specified peril**.

Fire Protection Equipment

Fire protection equipment means tanks, water mains, hydrants or valves and any other equipment or its component parts whether used solely for fire protection or jointly for fire protection and for other purposes.

Inundation, Back-Up And Mudflow

Inundation, back-up and mudflow means:

- A. surface water;
- B. mudslide or mudflow;
- C. water that backs up or overflows from a sewer, drain or sump; or
- D. water under the ground surface pressing on, or flowing or seeping through:
 1. foundations, walls, floors, or paved surfaces;
 2. basements, whether paved or not; or
 3. doors, windows or other openings,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

Inundation, back-up and mudflow does not mean ensuing loss or damage caused by or resulting from a **specified peril**.

Leakage From Fire Protection Equipment

Leakage from fire protection equipment means:

- water or other substance discharged from within any part of the **fire protection equipment** for the premises or for adjoining premises;
- collapse of tanks forming a part of the **fire protection equipment**, including the component parts or supports of those tanks; or
- the cost of restoring the damaged portion of the **fire protection equipment** in the event loss or damage to the **fire protection equipment** is caused by or results from freezing.

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

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All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:
BUSINESS INCOME WITH EXTRA EXPENSE

SCHEDULE

Premises:	4099 HIGHWAY 190 COVINGTON, LOUISIANA 70433 MULTIPLE:	1X
Premises:	68424 JAMES ST MANDEVILLE, LOUISIANA 70471 MULTIPLE:	1X
Premises:	68468 JAMES ST MANDEVILLE, LOUISIANA 70471 MULTIPLE:	1X
Premises:	2008 CLAIBORNE AVE SHREVEPORT, LOUISIANA 71103 MULTIPLE:	1X
Premises:	2001 KINGS HWY SHREVEPORT, LOUISIANA 71103 MULTIPLE:	1X

Property Endorsement
(continued)

Under Deductible, and only with respect to the premises shown in the Schedule above, the following is added:

Deductible

Multiple Of Average Daily Business Income Value We will subtract from the total amount we would otherwise pay, an amount that is equal to the **average daily business income value** at the location where the loss occurred, multiplied by the Multiple shown in the Schedule above, if such loss is caused by or results from **abrupt and accidental breakdown**.

Such deductible amount will apply separately at each premises in each **occurrence**.

Under Definitions, and only with respect to the premises shown in the Schedule above, the following definitions are added:

Definitions

Average Daily Business Income Value **Average daily business income value** means the **business income** or **rental income** that would have been earned at the location where the loss occurred for each working day had no covered cause of loss occurred.

Average daily business income value is calculated by adding together:

- the average daily net income for the 30 working days immediately preceding the date of loss; and
- the average daily continuing expenses during the **period of restoration**.

Abrupt And Accidental Breakdown **Abrupt and accidental breakdown** means abrupt and accidental breakdown of **mechanical or electrical system or apparatus** which causes direct physical loss or damage to all or part of that **mechanical or electrical system or apparatus** provided the direct physical loss or damage becomes manifest at the time of the breakdown that caused it.

Abrupt and accidental breakdown of **mechanical or electrical system or apparatus** does not mean:

- rust, oxidation or corrosion;
- faulty, inadequate or defective design, plan, specification or installation;
- failure of **mechanical or electrical system or apparatus** to perform in accordance with plans or specifications; or
- freezing caused by or resulting from weather conditions.

Abrupt and accidental breakdown does not mean ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

ACCOUNTS REC., FINE ARTS, MONEY & SEC., VALUABLE PAPERS
BUILDING AND PERSONAL PROPERTY
BUSINESS INCOME WITH EXTRA EXPENSE R&D INCOME
CHANGE IN CONTROLLED ENVIRONMENT FOR LIFE SCIENCES
CONTAMINATION FOR LIFE SCIENCES
ELECTRONIC DATA PROCESSING PROPERTY
EXTRA EXPENSE
PROPERTY/BUSINESS INCOME CONDITIONS & DEFINITIONS

SCHEDULE

Premises:	Premises Limits, Deductible or Waiting Period: Aggregate Limit: \$ 2,000,000 Per Occurrence Limit: \$ 2,000,000 Per Occurrence Physical Damage Deductible: \$ 100,000 Per Occurrence Business Income Waiting Period: 72 HOURS
Premises:	4099 HIGHWAY 190 COVINGTON, LOUISIANA 70433
Premises:	68424 JAMES ST MANDEVILLE, LOUISIANA 70471
Premises:	68468 JAMES ST MANDEVILLE, LOUISIANA 70471
Premises:	2008 CLAIBORNE AVE SHREVEPORT, LOUISIANA 71103
Premises:	2001 KINGS HWY SHREVEPORT, LOUISIANA 71103

Policy language follows

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Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Under Additional Exclusions, and only with respect to the premises shown in the Schedule above, the Earthquake exclusion is deleted from the forms shown above.

Additional Exclusions

Earthquake

- A. Except as provided in paragraph E. below, this endorsement applies to the:
1. Premises Coverages;
 2. Additional Coverages; and
 3. Debris Removal Coverage,
- applicable to the premises shown in the Schedule above, only if a Limit Of Insurance for such coverage is shown in the Declarations at such premises.
- B. This endorsement does not apply to:
1. the Additional Coverages for:
 - a. Any Other Location;
 - b. Exhibition, Fair Or Trade Show; or
 - c. Newly Acquired Premises; and
 2. any premises not shown in the Schedule above.
- C. If any form shown above does not contain an exclusion for Earthquake, the terms and conditions of this endorsement apply to such forms to the extent such forms apply at a premises shown in the Schedule above.
- D. If the Electronic Data Processing Property form is shown above, the terms and conditions of this endorsement apply to such form to the extent such form applies at a premises shown in the Schedule above.
- E. The Earthquake exclusion and any **earthquake** limitations are not deleted and remain in effect for:
1. Civil Authority;
 2. Dependent Business Premises;
 3. Fungus Clean-up Or Removal;
 4. Ingress And Egress;
 5. Loss Of Utilities; and

Additional Exclusions

Earthquake (continued)

6. Pollutant Clean-up And Removal,
unless these Premises Coverages or Additional Coverages are shown in the Schedule above.
- These Premises Coverages and Additional Coverages apply only at those premises where such Premises Coverages and Additional Coverages are shown in the Schedule above and do not apply to any premises to which the Any Other Location, Newly Acquired Property and Exhibition, Fair Or Trade Show Additional Coverages apply.

Under Limits Of Insurance, and only with respect to the premises shown in the Schedule above and the forms shown above, the following is added:

Limits Of Insurance

Earthquake/Earthquake Sprinkler Leakage

- A. Per Occurrence Limit Of Insurance
Subject to the:
1. Policy Annual Aggregate Limit Of Insurance described in paragraph C. below and shown in the Schedule above;
 2. Applicable Premises Annual Aggregate Limit Of Insurance described in paragraph B. below and shown under Premises Limits in the Schedule above; and
 3. Applicable Property Damage Dollar Deductible, Property Damage Percentage Deductible or Waiting Period shown under Premises Limits in the Schedule above,
- the most we will pay at all premises to which such limit applies, in any **occurrence**, for direct physical loss or damage to property and **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake**, is the lesser of the applicable:
4. Limits Of Insurance shown in the Declarations; or
 5. Per Occurrence Limit Of Insurance shown in the Schedule above,
- regardless of any other cause or event that directly or indirectly:
6. contributes concurrently to; or
 7. contributes in any sequence to,
- the loss or damage, even if such other cause or event would otherwise be covered.
- B. Premises Annual Aggregate Limit Of Insurance
Subject to the Policy Annual Aggregate Limit Of Insurance, the applicable Premises Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises to which such limit applies, during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake**, regardless of any other cause or event that directly or indirectly:
1. contributes concurrently to; or
 2. contributes in any sequence to,
- the loss or damage, even if such other cause or event would otherwise be covered.

Property Insurance

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Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Limits Of Insurance

Earthquake/Earthquake
Sprinkler Leakage
(continued)

C. Policy Annual Aggregate Limit Of Insurance

The Policy Annual Aggregate Limit Of Insurance shown in the Schedule above is the most we will pay at all premises shown in the Schedule above during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage to property and resulting **business income** or **rental income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake**, regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to; or
 2. contributes in any sequence to,
- the loss or damage, even if such other cause or event would otherwise be covered.

For the peril of **earthquake**, the deductible provision is deleted:

- only with respect to the forms shown above; and
- for the premises shown in the Schedule above,

and is replaced with the following:

Deductible

A. Under Deductible, and for the premises shown in the Schedule above:

1. the percentage deductible shown for the applicable premises will apply; or
2. if no percentage deductible is shown, then the Property Damage Dollar Deductible amount shown for the applicable premises will apply.

B. In no event will the deductible amount determined above be less than the Property Damage Minimum Dollar Deductible amount shown in the Schedule above.

C. The most we will pay, in any **occurrence** for direct physical loss or damage to property caused by or resulting from **earthquake**:

1. after application of Coinsurance, if applicable;
2. in excess of the applicable Property Damage Percentage Deductible or Property Damage Dollar Deductible shown in the Schedule above; and
3. for all the applicable property coverages provided in the forms shown above, if such loss or damage is caused by or results from **earthquake**, is the lesser of the applicable Limits Of Insurance shown in the Declarations or shown in the Schedule above, regardless of any other cause or event that directly or indirectly:
4. contributes concurrently to; or

Deductible
(continued)

5. contributes in any sequence to,
the loss or damage, even if such other cause or event would otherwise be covered.
- D. The applicable deductible shown in the Schedule above applies separately at each premises for each **occurrence**.
- E. Property Damage Percentage Deductible:
As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings:
1. Specific Insurance covers each type of coverage under separate specific Limits Of Insurance at one premises (for example: each **building** or **personal property** in a **building**).
 2. Blanket and Loss Limit insurance covers:
 - a. two or more types of coverage at one or more premises under a single Limit Of Insurance (for example: **building** and **personal property** in that **building** or **buildings** and **personal property** at two or more premises); or
 - b. one type of coverage at two or more premises under a single Limit Of Insurance (for example, **personal property** at two or more premises).
- F. Types of coverages and corresponding Limits Of Insurance are the lesser of the Limits Of Insurance shown in the Declarations or in the Schedule above.
1. Specific Insurance:
In determining the amount, if any, that we will pay for loss or damage for each specific type of coverage that sustained direct physical loss or damage, we will separately for each type of coverage:
 - a. apply the applicable deductible percentage shown in the Schedule above, to the applicable Limit Of Insurance shown in the Declarations; or
 - b. if the applicable premises shown in the Schedule above shows Apply Percentage To Statement Of Values, we will multiply the deductible percentage shown in the Schedule above for that premises, by the 100% values you most recently furnished to us for the type of covered property that sustained direct physical loss or damage.

We will pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limit Of Insurance for each insured type of coverage.
 2. Blanket Insurance and Loss Limit Of Insurance:
In determining the amount, if any, that we will pay for loss or damage for each premises shown in the Schedule above, we will separately at each premises that sustained loss or damage:
 - a. apply the applicable percentage shown in the Schedule above to the sum of:
 - (1) the 100% values you most recently furnished to us for the types of covered property that sustained direct physical loss or damage; and
 - (2) the 100% values you most recently furnished to us for the same types of covered property that did not sustain direct physical loss or damage, but are located at the same premises that sustained loss or damage, to determine the applicable deductible; and
 - b. pay the loss or damage in excess of such deductible amount determined above, subject to the applicable Limits Of Insurance for such covered property.

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Deductible (continued)

If a loss involves both specific insurance and blanket insurance, the deductible amount will be determined and apply separately for blanket insurance and separately for specific insurance, subject to their applicable respective Limits Of Insurance.

G. Property Damage Dollar Deductible:

The applicable Limits Of Insurance for the property coverages:

1. do not apply until the amount of loss or damage exceeds the applicable deductible amount shown above; and
2. apply in excess of the applicable deductible amount.

For the peril of **earthquake**, the Waiting Period provision is deleted:

- only with respect to the forms shown above;
 - for the premises shown in the Schedule above;
 - for any premises shown in the Declarations; and
 - for any premises not shown in the Schedule above and not shown in the Declarations,
- and is replaced with the following:

Waiting Period

Following covered direct physical loss or damage to **property** at the premises shown above and at any premises not shown in the Schedule above and not shown in the Declarations, we will pay the amount of **business income** and **rental income** loss that is incurred after the applicable Waiting Period shown in the Schedule above, not to exceed the applicable Limits Of Insurance.

The applicable Waiting Period shown in the Schedule above:

- applies separately for each **occurrence** at each premises and to each type of coverage that sustained direct physical loss or damage;
- begins immediately following the direct physical loss or damage to **property** by a **covered peril**;
- only applies at premises that suffers a **business income** or **rental income** loss; and
- does not apply to **extra expense**.

If no waiting period is shown in the Schedule above, the waiting period will be the:

- applicable waiting period shown in the Declarations or as otherwise shown; or
 - first 24 normal business hours following the direct physical loss or damage,
- whichever is longer.

Hours shown for the waiting period are normal business hours.

Under Definitions, and only with respect to the forms shown above, the following definitions are added:

Definitions

Earthquake

Earthquake means earthquake, including any resulting:

- **leakage from fire protection equipment** if such leakage directly or indirectly results from earthquake; and
- tsunami.

Earthquake does not include a **specified peril** that ensues from earthquake.

Earthquake Sprinkler Leakage

Earthquake sprinkler leakage means **leakage from fire protection equipment** caused by or resulting from earthquake.

Fire Protection Equipment

Fire protection equipment means tanks, water mains, hydrants or valves and any other equipment or its component parts, whether used solely for fire protection or jointly for fire protection and for other purposes.

Leakage From Fire Protection Equipment

Leakage from fire protection equipment means:

- water or other substance discharged from within any part of the **fire protection equipment** for the premises or for adjoining premises; or
- collapse of tanks forming a part of the **fire protection equipment**, including the component parts or supports of those tanks.

Under Definitions, and only with respect to the forms shown above that:

- contain a definition of **specified peril**, such definition is deleted and replaced with the following; or
- do not contain a definition of **specified peril**, the following definition is added:

Definitions

Specified Peril

Specified peril means:

- aircraft or self-propelled missiles;
- explosion;
- fire or lightning;
- **leakage from fire protection equipment;**
- mine subsidence;
- riot or civil commotion;
- **sinkhole collapse;**
- smoke;

Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Definitions

Specified Peril
(continued)

- vandalism;
- vehicles;
- volcanic action; or
- windstorm or hail.

Specified peril does not mean **earthquake sprinkler leakage**.

All other terms and conditions remain unchanged.

Authorized Representative



Property Insurance

Endorsement

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued OCTOBER 11, 2012

This Endorsement applies to the following forms:
BUILDING AND PERSONAL PROPERTY
ELECTRONIC DATA PROCESSING PROPERTY

SCHEDULE

Premises: 4099 HIGHWAY 190
COVINGTON, LOUISIANA 70433

COVERAGES

EXCLUSIONS

EDP PROPERTY ON PREMISES

FLOOD

Premises: 68424 JAMES ST
MANDEVILLE, LOUISIANA 70471

COVERAGES

EXCLUSIONS

EDP PROPERTY ON PREMISES

FLOOD

Policy language follows

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Property Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Additional Exclusions

Under Additional Exclusions, the exclusions shown in the Schedule above are added and:

- apply only at the premises and for the applicable coverages shown in the Schedule above; and
- are described in the Additional Exclusions section of this endorsement.

If Research And Development Property is shown in the Schedule above, the Earthquake In The State Of California Research And Development Property Additional Exclusion is deleted and replaced with the Earthquake Additional Exclusion shown below.

Additional Exclusions

Earthquake

This insurance does not apply to:

- loss or damage;
- a **change in controlled environment**;
- **contamination**; or
- **radioactive contamination**,

caused by or resulting from earthquake, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, **change in controlled environment**, **contamination** or **radioactive contamination**, even if such other cause or event would otherwise be covered.

This Earthquake exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Flood

This insurance does not apply to:

- loss or damage;
- a **change in controlled environment**;
- **contamination**; or
- **radioactive contamination**,

caused by or resulting from:

- waves, tidal water or tidal waves; or
- rising, overflowing or breaking of any boundary,

Additional Exclusions

Flood ***(continued)***

of any natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, **change in controlled environment, contamination or radioactive contamination**, even if such other cause or event would otherwise be covered.

This Flood exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance Section

Declarations

Reference Copy

Liability Insurance

Schedule of Forms

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued OCTOBER 11, 2012

The following is a schedule of forms issued as of the date shown above:

<i>Form Number</i>	<i>Edition Date</i>	<i>Form Name</i>	<i>Effective Date</i>	<i>Date Issued</i>
80-02-6400	12-07	EXCLUSION OF CERTIFIED ACTS OF TERRORISM	08/19/12	10/11/12
80-02-6415	8-04	EXCLUSION - SCHEDULED DISEASES	08/19/12	10/11/12
80-02-6440	8-04	LS - ADDL INSURED - SCHEDULED PERSON OR ORG	08/19/12	10/11/12
80-02-6541	3-05	CONDITION - PREMIUM AUDIT	08/19/12	10/11/12
80-02-8287	10-09	COVERAGE TERRITORY, SCHEDULED	08/19/12	10/11/12
80-02-0010	4-94	LIABILITY DECLARATIONS	08/19/12	10/11/12
80-02-2002	4-94	PREMISES / OPERATIONS	08/19/12	10/11/12
80-02-2058	11-09	EXTENDED GENERAL LIABILITY (INCL PROD-COMPL O	08/19/12	10/11/12
80-02-2062	11-98	EMPLOYEE BENEFITS ERRORS OR OMISSIONS	08/19/12	10/11/12
80-02-2237	8-04	LS-EXCL-HUMAN CLINICAL TRIALS	08/19/12	10/11/12
80-02-2324	11-06	NON-ACCUMULATION OF LIMITS OF INSURANCE	08/19/12	10/11/12
80-02-2339	4-94	EXCLUSION - PRODUCTS-COMP. OPERATIONS HAZARD	08/19/12	10/11/12
80-02-2445	4-06	EXCLUSION - TOBACCO	08/19/12	10/11/12
80-02-2653	7-09	PRIMARY NONCONTRIBUTORY-SCHEDULE PERS OR ORG	08/19/12	10/11/12
80-02-2752	5-96	LOUISIANA MANDATORY - LEGAL ACTION AGAINST US	08/19/12	10/11/12
80-02-6013	8-11	LIAB GLOBAL EXT-LIFE SCIENCES CONTROLLED UL	08/19/12	10/11/12
80-02-6520	8-04	EXCL-INTERCOMPANY PRODUCTS CLAIMS OR SUITS	08/19/12	10/11/12
80-02-6528	4-05	EXCLUSION - INFORMATION DISTRIBUTION LAWS	08/19/12	10/11/12
80-02-6552	5-05	EXCL ASBESTOS, SILICA, SIMCMPD INCL MIXED DUST	08/19/12	10/11/12
80-02-8217	2-09	DEDUCTIBLES (WITH AGGREGATE OPTION)	08/19/12	10/11/12
80-02-8303	9-09	LIAB - APPLICABILITY OF GLOBAL EXT	08/19/12	10/11/12
80-02-8336	11-09	LS-DEFENSE WITHIN LIMITS-LIFE SCIENCES GL/PCO	08/19/12	10/11/12
80-02-8337	11-09	SCHEDULED PRODUCTS OR CLASSES OF PRODUCTS	08/19/12	10/11/12

Reference Copy

last page

Liability Insurance

Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No. 0024843

*Incorporated under the laws of
INDIANA*

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Liability Coverage

Limit Of Insurance

GENERAL LIABILITY

GENERAL AGGREGATE LIMIT	\$ 2,000,000
EACH OCCURRENCE LIMIT	\$ 1,000,000
ADVERTISING INJURY AND PERSONAL INJURY AGGREGATE LIMIT	\$ 1,000,000
DAMAGE TO PREMISES RENTED TO YOU LIMIT	\$ 1,000,000
MEDICAL EXPENSES LIMIT	\$ 10,000

Reference Copy

Liability Coverage
(continued)**Limit Of Insurance****EMPLOYEE BENEFITS ERRORS OR OMISSIONS**

AGGREGATE LIMIT	\$ 1,000,000	
EACH CLAIM LIMIT	\$ 1,000,000	
DEDUCTIBLE - EACH CLAIM		\$ 1,000
RETROACTIVE DATE		APRIL 1, 2004

RATING INFORMATION**STATE: LOUISIANA**

COVERAGE NAME:

PREM/OPS - (Intercompany sales excluded)

CLASSIFICATION CODE NUMBER:

00421

CLASSIFICATION DESCRIPTION:

LS DRUG MFG. - PREMISES/OPERATIONS

PREMIUM BASIS:

GROSS SALES:

\$140,000,000

RATE:

0.128

STATE: LOUISIANA**EMPLOYEE BENEFITS**

CLASSIFICATION CODE NUMBER:

00176

CLASSIFICATION DESCRIPTION:

EMPLOYEE BENEFITS E&O

PREMIUM BASIS:

NUMBER OF EMPLOYEES:

380

RATE:

0.789

Reference Copy

Liability Insurance

Employee Benefits Errors Or Omissions

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Employee Benefits Errors Or Omissions

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Throughout this policy the words "you" and "your" refer to the Named **Insured** shown in the Declarations of this policy, and any other person or organization qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the company providing this insurance.

In addition to the Named **Insured**, other persons or organizations qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is Insured section of this contract.

THIS INSURANCE PROVIDES **CLAIMS** MADE COVERAGE. EXCEPT AS OTHERWISE PROVIDED, SUCH COVERAGE APPLIES ONLY TO **CLAIMS** FIRST MADE AGAINST THE **INSURED** DURING THE POLICY PERIOD. PLEASE READ THIS INSURANCE CAREFULLY.

Who Is Insured

Sole Proprietorship

If you are an individual, you and your spouse are **insureds**, but only with respect to the conduct of a business of which you are the sole owner.

Partnership Or Joint Venture

If you are a partnership or joint venture, you are an **insured**. Your members, your partners, and their spouses are also **insureds**, but only with respect to the conduct of your business.

Other Organizations

If you are an organization other than a partnership, joint venture or limited liability company, you are an **insured**. Your executive officers and directors are **insureds**, but only with respect to their duties as your officers or directors. Your stockholders are also **insureds** but only with respect to their liability as stockholders.

Any Other Authorized Person

Any other natural person for whose acts you are legally liable is an **insured**, provided such natural person is authorized to act in the **administration** of your **employee benefit programs**.

Subsidiaries Or Newly Acquired Or Formed Organizations

If there is no other similar insurance available, the following will qualify to be a named **insured**:

- Any financially controlled subsidiary of yours; or
- any organization you newly acquired or formed during the policy period, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest. This coverage is effective on the acquisition or formation date and is afforded only until the end of the policy period during which the acquisition or formation took place.

No subsidiary or newly acquired or formed organization is an **insured** with respect to any **claim** arising from the **administration** of **employee benefit programs** that occurred before you acquired or formed the organization.

Reference Copy

Who Is Insured

(continued)

Limitation On Who Is Insured

No one is an **insured** for the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a named **insured** in the Declarations.

Coverage

Subject to the applicable Limits Of Insurance, we will pay damages the **insured** becomes legally obligated to pay for any **claim** arising out of a negligent act, error or omission to which this insurance applies, by or on behalf of the **insured** in the **administration of employee benefit programs**.

The **claim** must be made by:

- your employee;
- your former employee;
- the beneficiaries or legal representatives of your employee or former employee; or
- your prospective employee.

This insurance applies to a negligent act, error or omission only if a **claim** is first made against any **insured** during the policy period.

This insurance does not apply to any negligent act, error or omission which:

- occurred prior to the Retroactive Date stated in the Declarations of this insurance;
- occurred on or between the Retroactive Date stated in the Declarations of this insurance and the last day of the policy period stated in the Declarations of this insurance if, on the effective date of this insurance, the **insured** had knowledge of or should have known of any circumstances which might have resulted in a **claim**; or
- occurs after the policy period stated in the Declarations of this insurance.

For purposes of this insurance:

- a **claim** by a person or organization will be deemed to have been made when notice of such **claim** is received and recorded by any **insured**, our licensed agent, or by us, whichever comes first; and
- all **claims** by the same person or organization as a result of a negligent act, error or omission will be deemed to have been made at the time the first of those **claims** is made against any **insured**.

Limits Of Insurance

The Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- **insureds**;
- **claims** made or **suits** brought; or
- persons or organizations making **claims** or bringing **suits**.

Reference Copy

Employee Benefits Errors Or Omissions

Limits Of Insurance (continued)

The Limits Of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

We may pay part or all of the deductible to settle any **claim** or **suit**; and when notified, the **insured** agrees to promptly reimburse us for the deductible paid.

All **claims** arising from a single negligent act, error or omission or a series of related negligent acts, errors or omissions shall be deemed to be a single **claim**.

Aggregate Limit

Subject to the Each Claim Limit, the Aggregate Limit is the most we will pay for the sum of:

- damages for all **claims**; and
- payments made for defense and Supplementary Payments.

Each Claim Limit

The Each Claim Limit is the most we will pay for all damages for each **claim**, including payments made for defense and Supplementary Payments, in excess of the deductible stated in the Declarations.

Any amount paid for damages, defense and Supplementary Payments for each **claim** will reduce the amount of the Aggregate Limit available for payment of damages, defense and Supplementary Payments for any other **claim**.

If the Aggregate Limit has been reduced by payment of damages, defense and Supplementary Payments for **claims** to an amount that is less than the Each Claim Limit, the remaining Aggregate Limit is the most that will be available for payment of damages, defense and Supplementary Payments for any other **claim**.

Investigation, Defense And Payment Of Damages

We will have the right and duty to defend any **insured** against a **suit** seeking damages for any **claim** arising out of a negligent act, error, or omission. However, we will have no duty to defend any **insured** against a **suit** seeking damages to which this insurance does not apply. We may at our discretion investigate any negligent act, error, or omission and settle any **claim** or **suit** that may result.

The amount we will pay for damages is limited as described in Limits Of Insurance. Our right and duty to defend end when we have used up the applicable Limit Of Insurance in the payment of defense, judgments or settlements and payments under Supplementary Payments.

The amount we pay to defend any **suit** is part of and will reduce the Each Claim Limit under Limits Of Insurance.

We have no further obligation or liability to pay sums or perform acts or services unless explicitly provided for under Supplementary Payments shown below.

Reference Copy

Supplementary Payments

Subject to the Limits Of Insurance, we will pay with respect to any **claim** we investigate or settle, or any **suit** against an **insured** we defend:

- A. all expenses we incur;
- B. the premium amount of bonds to release attachments, but only for premium amounts within the amount of insurance available. We do not have to furnish these bonds;
- C. reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the **claim** or **suit**, including actual loss of earnings up to \$300 a day because of time off from work;
- D. costs taxed against the **insured** in the **suit**;
- 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 Insurance, we will not pay any prejudgment interest based on that period of time after the offer; and
- F. all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.

Each payment we make under Supplementary Payments will reduce the Each Claim Limit under Limits Of Insurance with the following exceptions:

- A. salaries and expenses of our employees or the **insured's** employees, other than:
 - 1. that portion of our employed attorneys' fees, salaries and expenses allocated to a specific **claim** or **suit**;
 - 2. the expenses described in C. above; and
- B. fees and expenses of independent adjusters we hire.

Coverage Territory

This insurance applies anywhere. However, the **insured's** responsibility to pay damages must be determined in a **suit** on the merits, in the United States of America, its territories or possessions, Canada or Puerto Rico, or in a settlement we agree to.

Exclusions

Bodily Injury, Property Damage, Advertising Injury Or Personal Injury

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury**.

Benefits Due

This insurance does not apply to payments which are required pursuant to any **employee benefits program**.

Contractual Liability

This insurance does not apply to liability of others for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages that the **insured** would have in the absence of such contract or agreement.

Reference Copy

Employee Benefits Errors Or Omissions

Exclusions

(continued)

Discrimination Or Humiliation

This insurance does not apply to actual or alleged humiliation or unlawful discrimination.

Dishonest Acts

This insurance does not apply to any dishonest, fraudulent, criminal or malicious act, error or omission by or on behalf of any **insured**, whether acting alone or in collusion with others.

Expected Or Intended Damage

This insurance does not apply to any **claim** which results from an act that:

- is intended by the **insured**; or
- can be expected from the standpoint of a reasonable person

to cause damage, even if the damage is of a different degree or type than actually intended or expected.

Fines, Penalties, Punitive Or Exemplary Damages

This insurance does not apply to any assessment, penalty, fine, or punitive or exemplary damages.

Performance Failure

This insurance does not apply to:

- the failure of performance of any contract by an insurer;
- the failure of any investment plan to perform as represented by an **insured**;
- the inability of **employee benefit programs** to meet their obligation due to insolvency or inadequate funds; or
- the investment, divestment or non-investment of funds.

Statutory Obligation To Employees Or Plans

This insurance does not apply to the **insured's** failure to comply with the provisions of the Internal Revenue Code, any law concerning workers compensation, unemployment compensation, social security or disability benefits, any employment severance law, or the Employee Retirement Income Security Act of 1974 or any similar State or Federal legislation that has been or may be enacted.

This exclusion does not apply to the **administration** of **employee benefit programs**.

Termination Of Any Employee Benefit Programs

This insurance does not apply to the termination of any **employee benefit programs**.

Reference Copy

Exclusions

(continued)

Wrong Advice

This insurance does not apply to advice given by an **insured** to an employee to participate or not to participate in any investment subscription plan.

Extended Reporting Periods

Basic Extended Reporting Period

A Basic Extended Reporting Period is automatically provided. Under this provision:

- **claims** first made within 60 days after the end of the policy period; or
- **claims** first made within five years after the end of the policy period for negligent acts, errors or omissions reported to us within 60 days after the end of the policy period

will be deemed to have been made during the policy period of this policy.

The Basic Extended Reporting Period does not apply to **claims** that are covered under any subsequent insurance you purchase, or that would be covered, but for exhaustion of the amount of insurance applicable to such **claims**.

Notification of **claims** must be in accordance with paragraphs A. and B. of the Duties In The Event Of Negligent Act, Error, Or Omission, Claim Or Suit provision of the Conditions.

Supplemental Extended Reporting Period

A Supplemental Extended Reporting Period is available only by an endorsement and for an additional premium:

- A. If purchased, this period starts at the end of the Basic Extended Reporting Period and will be for 10 years. **Claims** first made during this Supplemental Extended Reporting Period will be deemed to have been made during the policy period of this policy, but will be subject to the separate aggregate limit of insurance set forth in paragraph C., below.
- B. You must give us a written request to purchase a Supplemental Extended Reporting Period within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.
- C. If you comply with paragraph B., above, we will issue the Supplemental Extended Reporting Period Endorsement, and will provide the separate aggregate limit of insurance described below, but only for **claims** to which the Supplemental Extended Reporting Period applies. The separate aggregate Limit Of Insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for the Aggregate Limit.

The Aggregate Limit as shown in the Limits Of Insurance section will be amended accordingly. The Each Claim Limit shown in the Declarations will continue to apply, as set forth in the Limits of Insurance section.
- D. We will determine the additional premium for the Supplemental Extended Reporting Period Endorsement in accordance with our rules and rates. The additional premium will not exceed 200% of the annual premium for this insurance.

Reference Copy

Employee Benefits Errors Or Omissions

Extended Reporting Periods

Supplemental Extended Reporting Period (continued)

- E. The Supplemental Extended Reporting Period Endorsement will set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

When Extended Reporting Periods Apply

We will automatically provide a Basic Extended Reporting Period and, if you purchase it, a Supplemental Extended Reporting Period if:

- A. this insurance is canceled or not renewed; or
- B. we renew or replace this insurance with other insurance that:
 - 1. has a Retroactive Date later than the Retroactive Date shown in the Declarations for this insurance; or
 - 2. does not apply on a **claims**-made basis.

How Extended Reporting Periods Apply

Extended Reporting Periods:

- A. apply only to **claims** for:
 - 1. negligent acts, errors or omissions that occur before the end of the policy period and not before the Retroactive Date, if any, shown in the Declarations.
- B. do not:
 - 1. extend the policy period or change the scope of coverage provided; or
 - 2. reinstate or increase the Limits Of Insurance applicable to any **claim** to which this insurance applies, except as described in the Supplemental Extended Reporting Period section above.
- C. may not be canceled once in effect.

Conditions

Arbitration

We are entitled to exercise all of the **insured's** rights in the choice of arbitrators and the conduct of any arbitration proceeding, except when the proceeding is between us and the **insured**.

Bankruptcy

Bankruptcy or insolvency of the **insured** or the **insured's** estate will not relieve us of any obligation to which this insurance applies.

Reference Copy

Conditions

(continued)

Duties In The Event Of Negligent Act, Error, Or Omission, Claim Or Suit

- A. You must see to it that we are notified as soon as practicable of any negligent act, error, or omission which may result in a **claim**. To the extent possible, notice should include:
1. how, when and where the negligent act, error, or omission took place; and
 2. the names and addresses of any involved persons and witnesses.
- Notice of any negligent act, error, or omission is not notice of a **claim**.
- B. If a **claim** is made or **suit** is brought against any **insured**, you must:
1. immediately record the specifics of the **claim** or **suit** and the date received; and
 2. notify us in writing as soon as practicable.
- C. You and any other involved **insured** must:
1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **claim** or **suit**;
 2. authorize us to obtain records and other information;
 3. cooperate with us in the:
 - a. investigation or settlement of the **claim** or
 - b. defense of the **suit**; and
 4. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of a negligent act, error, or omission to which this insurance may also apply.
- D. No **insureds** will, except at that **insured's** own cost, make a payment, assume any obligation, or incur any expense, without our consent.
- E. Notice given by or on behalf of:
1. the **insured**; or
 2. any other claimant;
- to any licensed agent of ours with particulars sufficient to identify the **insured** shall be deemed notice to us.
- F. Knowledge of any negligent act, error, or omission by any agent or employee of the **insured** will not constitute knowledge by the **insured**, unless an officer or his designee receives such notice from its agent or employee.
- G. Failure of an agent or employee of the **insured**, other than an officer, or his designee, to notify us of any negligent act, error, or omission which he knows about will not affect the insurance afforded you by this contract.

Legal Action Against Us

No person or organization has a right under this insurance:

- to join us as a party or otherwise bring us into a **suit** asking for damages from an **insured**; or
- to sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after:

- an actual trial in a civil proceeding;

Reference Copy

Employee Benefits Errors Or Omissions

Conditions

Legal Action Against Us (continued)

- an arbitration proceeding; or
- an alternative resolution proceeding,

but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable Limits of Insurance.

Other Insurance

If other valid and collectible insurance is available to the **insured** for a loss we cover under this insurance, our obligations are limited as follows:

Excess Insurance

This insurance is excess over and above any other valid and collectible insurance (including any deductible or self-insured portion) or agreement of indemnity, available to you.

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to the **administration of employee benefits programs** on other than a claims made basis, if:

- no Retroactive Date is shown in the Declarations of this insurance; or
- the other insurance has a policy period which continues after the Retroactive Date shown in the Declarations of this insurance.

We will have no duty under this insurance to defend any **insured** against a **suit** that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the **insured's** rights against all those other insurers.

We will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not purchased specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Premium Audit

We will compute all premiums for this insurance in accordance with our rules and rates.

In accordance with the Estimated Premiums section of the Premium Summary, premiums identified by an asterisk are estimated premiums and are subject to audit. In addition to or in lieu of such designation in the Premium Summary, premiums may be designated as estimated premiums in the Liability Insurance section of this policy. In that event, these premiums will also be subject to audit and the second paragraph of the Estimated Premiums section of the Premium Summary will apply.

Reference Copy

Conditions

(continued)

Separation Of Insureds

Except with respect to the Limits Of Insurance and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom **claim** is made or **suit** is brought.

Transfer Of Rights Of Recovery

If the **insured** has rights to recover all or part of any payment we have made under this insurance, 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.

Reference Copy

Employee Benefits Errors Or Omissions

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Administration

Administration means:

- informing employees of the content of;
 - giving advice, other than legal advice, about;
 - handling of records in connection with; or
 - effecting enrollment, termination or cancellation of employees under,
- employee benefit programs**, provided such acts are authorized by you.

Advertising

Advertising means any advertisement, publicity article, broadcast or telecast.

Advertising Injury

Advertising injury means injury, other than **bodily injury** or **personal injury**, arising solely out of one or more of the following offenses committed in the course of **advertising** of your goods, products or services:

- oral or written publication of advertising material that slanders or libels a person or organization;
- oral or written publication of advertising material that violates a person's right of privacy; or
- infringement of copyrighted advertising materials or infringement of trademarked or service marked titles or slogans.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Bodily Injury

Bodily injury means physical injury, sickness, disease, mental anguish, mental injury, shock, or humiliation sustained by a person; it also includes death at any time resulting therefrom.

Claim

Claim means a demand for damages.

Employee Benefit Programs

Employee benefit programs means group life insurance, group health insurance, group dental insurance, group automobile insurance, group homeowners insurance, educational tuition reimbursement plans, individual retirement account (IRA) plans, Internal Revenue Code Section 401(K) plans and amendments thereto, profit sharing plans, pension plans, employee investment subscription plans, workers compensation, unemployment insurance, social security, disability benefits insurance or travel, savings or vacation plans.

Insured

Insured means any person or organization qualifying as an insured under the Who Is Insured provision and against whom **claim** is made or **suit** is brought.

Reference Copy

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**Personal Injury**

Personal injury means injury, other than **bodily injury**, arising out of one or more of the following offenses committed in the course of your business, other than your **advertising**:

- A. false arrest, detention or imprisonment;
- B. malicious prosecution;
- C. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or persons occupy, by or on behalf of its owner, landlord or lessor;
- D. oral or written publication of material that slanders or libels a person or organization; or
- E. oral or written publication of material that violates a person's right of privacy.

Property Damage

Property damage means:

- physical injury to or destruction of tangible property including the resulting loss of use of that property; or
- loss of use of tangible property that is not physically injured.

Suit

Suit means a civil proceeding in which damages to which this insurance applies are alleged. **Suit** also includes:

- an arbitration proceeding in which such damages are **claimed** and to which the **insured** must submit or does submit with our consent; or
- any other alternative dispute resolution proceeding in which such damages are **claimed** and to which the **insured** submits with our consent.

Reference Copy

Liability Insurance

Premises/Operations

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Reference Copy

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Premises/Operations

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Throughout this contract the words "you" and "your" refer to the Named **Insured** shown in the Declarations of this policy, and any other person or organization qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the company providing this insurance.

In addition to the Named **Insured**, other persons or organizations qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is Insured section of this contract.

Who Is Insured

Sole Proprietorship

If you are an individual, you and your spouse are **insureds**, but only with respect to the conduct of a business of which you are the sole owner.

Partnership Or Joint Venture

If you are a partnership or joint venture, you are an **insured**. Your members, your partners, and their spouses are also **insureds**, but only with respect to the conduct of your business.

Other Organizations

If you are an organization other than a partnership, joint venture or limited liability company, you are an **insured**. Your **executive officers** and directors are **insureds**, but only with respect to their duties as your officers or directors. Your stockholders are also **insureds** but only with respect to their liability as stockholders.

Employees

Your **employees**, other than your **executive officers**, are **insureds**, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

No **employee** is an **insured** for:

A. **bodily injury or personal injury:**

1. to you, your partners or members (if you are a partnership, joint venture or limited liability company), or to a co-**employee** while in the course of his or her employment or while performing duties related to the conduct of your business;
2. to the spouse, child, parent, brother or sister of that co-**employee** as a consequence of paragraph A.1. above; or
3. for which there is any obligation to share damages with or repay someone else who must pay damages because of an injury described in A.1. or A.2. above;

Paragraphs A.1., A.2., and A.3. do not apply to officers or supervisors.

B. **property damage** to property owned or occupied by or rented or loaned to that **employee**, any of your other **employees**, or any of your partners or members (if you are a partnership, joint venture or limited liability company).

Who Is Insured

(continued)

Volunteer Workers

Your volunteer workers (at your option) are **insureds**.

Real Estate Manager

Any person (other than your **employee**) or any organization while acting as your real estate manager are **insureds**.

Custodian

Any person or organization having proper temporary custody of your property if you die are **insureds**, but only with respect to the maintenance or use of that property until your legal representative has been appointed.

Legal Representative

Your legal representative is an **insured**, if you die. That representative will have all of your rights and duties, but is an **insured** only with respect to his duties as your legal representative.

Permissive User Of Mobile Equipment

With respect to **mobile equipment** registered in your name under any motor vehicle registration law

- any person is an **insured** while driving such equipment along a public highway with your permission; and
- any other person or organization responsible for the conduct of such person is also an **insured**, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability.

No person or organization is an **insured** with respect to:

- **bodily injury** to a co-**employee** of the person driving the equipment; or
- **property damage** to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an **insured** under this provision.

Lessors Of Premises

Any lessor of leased premises is an **insured**, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and only if you are contractually obligated to provide such coverage as is afforded by this contract.

No lessor is an **insured** with respect to:

- any **occurrence** which takes place after you cease to be a tenant in the premises or the end of the policy period, whichever comes first;
- structural alterations, new construction, or demolition operations performed by or on behalf of the lessor; or
- **bodily injury, property damage, advertising injury, or personal injury** arising out of the sole negligence of the lessor.

Lessors Of Leased Equipment

Any lessor of equipment leased to you is an **insured**, but only with respect to **bodily injury** or **property damage** arising out of the maintenance, operation or use by you of the equipment and only if you are contractually obligated to provide such coverage as is afforded by this contract.

Premises/Operations

Who Is Insured

Lessors Of Leased Equipment (continued)

No lessor is an **insured** with respect to:

- any **occurrence** which takes place after any equipment lease expires or the end of the policy period, whichever comes first; or
- **bodily injury** or **property damage** arising out of the sole negligence of the lessor.

Subsidiaries Or Newly Acquired Or Formed Organizations

If there is no other similar insurance available, the following will qualify to be a named **insured**:

- Any financially controlled subsidiary of yours; or
- any organization you newly acquired or formed during the policy period, other than a partnership, joint venture or limited liability company and over which you maintain ownership or majority interest. This coverage is effective on the acquisition or formation date and is afforded only until the end of the policy period during which the acquisition or formation took place.

No subsidiary or newly acquired or formed organization is an **insured** with respect to:

- **bodily injury** or **property damage** that occurred before you acquired or formed the organization; or
- **advertising injury** or **personal injury** arising out of an offense committed before you acquired or formed the organization.

Limitation On Who Is Insured

No one is an **insured** for the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a named **insured** in the Declarations.

Coverage

Bodily Injury, Property Damage, Advertising Injury, And Personal Injury

Subject to the applicable Limits Of Insurance, we will pay damages the **insured** becomes legally obligated to pay by reason of liability imposed by law or assumed under an **insured contract** for:

- **bodily injury** or **property damage** to which this insurance applies caused by an **occurrence**; or
- **advertising injury** or **personal injury** to which this insurance applies caused by an offense.

This insurance applies to:

- **bodily injury** or **property damage** which occurs during the policy period; and
- **advertising injury** or **personal injury** caused by an offense committed during the policy period.

This insurance does not apply to **bodily injury** or **property damage** included within the **products-completed operations hazard**.

Damages for **bodily injury** include damages claimed by any person or organization for care or loss of services resulting at any time from the **bodily injury**.

Coverage

(continued)

Medical Expense

Subject to the applicable Limits Of Insurance, we will pay each person who sustains **bodily injury** caused by an accident all **medical expenses** incurred and reported to us within three years from the date of the accident.

The accident must take place during the policy period and the **bodily injury** must arise out of premises or operations for which you are afforded **bodily injury** liability coverage under this contract. The injured person must submit to examination, at our expense, by physicians of our choice as often as we reasonably require.

Limits Of Insurance

The Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- **insureds**;
- claims made or **suits** brought; or
- persons or organizations making claims or bringing **suits**.

The Limits Of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

General Aggregate Limit

Subject to the Each Occurrence Limit and the Advertising Injury And Personal Injury Limit, the General Aggregate Limit is the most we will pay for the sum of:

- damages under **bodily injury** and **property damage** coverage;
- damages under **advertising injury** and **personal injury** coverage; and
- **medical expenses** under Medical Expense coverage.

Advertising Injury And Personal Injury Limit

The Advertising Injury And Personal Injury Limit is the most we will pay under **advertising injury** and **personal injury** coverage for the sum of all damages involving the same oral or written publication of material, or the same act, regardless of the frequency or repetition thereof, the number or kind of media used, and the number of claimants.

Any amount paid for damages arising out of an offense will reduce the amount of the Aggregate Limit available for payment of damages arising out of any other offense.

If the Aggregate Limit has been reduced by payment of damages to an amount that is less than the Advertising Injury And Personal Injury Limit stated in the Declarations, the remaining Aggregate Limit is the most that will be available for payment of damages arising out of any other offense.

Each Occurrence Limit

The Each Occurrence Limit is the most we will pay for the sum of:

- damages under **bodily injury** and **property damage** coverage; and
- **medical expenses** under Medical Expense coverage

because of all **bodily injury** and **property damage** arising out of any one **occurrence**.

Premises/Operations

Limits Of Insurance

Each Occurrence Limit (continued)

Any amount paid for damages arising out of an **occurrence** will reduce the amount of the Aggregate Limit available for payment of damages arising out of any other **occurrence**.

If the Aggregate Limit has been reduced by payment of damages to an amount that is less than the Each Occurrence Limit stated in the Declarations, the remaining Aggregate Limit is the most that will be available for payment of damages arising out of any other **occurrence**.

Medical Expense Limit

Subject to the Each Occurrence Limit described above, the Medical Expense Limit is the most we will pay under Medical Expense coverage for all **medical expense** because of **bodily injury** sustained by one person.

Investigation, Defense And Payment Of Damages

We will have the right and duty to defend any **insured** against a **suit** seeking damages for **bodily injury, property damage, advertising injury, or personal injury**. However, we will have no duty to defend any **insured** against a **suit** seeking damages to which this insurance does not apply. We may at our discretion investigate any **occurrence** or offense and settle any claim or **suit** that may result.

The amount we will pay for damages is limited as described in Limits Of Insurance. Our right and duty to defend end when we have used up the applicable Limit Of Insurance in the payment of judgments or settlements under **bodily injury, property damage, advertising injury, personal injury or medical expense**.

We have no further obligation or liability to pay sums or perform acts or services unless explicitly provided for under Supplementary Payments shown below.

Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any **suit** against an **insured** we defend:

- all expenses we incur;
- up to \$2000 for the 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;
- the premium amount of bonds to release attachments, but only for premium amounts within the amount of insurance available. We do not have to furnish these bonds;
- reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings up to \$300 a day because of time off from work;
- costs taxed against the **insured** in the **suit**;
- 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 Insurance, we will not pay any prejudgment interest based on that period of time after the offer; and

**Supplementary
Payments**
(continued)

- all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.

These payments will not reduce the Limits Of Insurance.

Coverage Territory

This insurance applies anywhere. However, the **insured's** responsibility to pay damages must be determined in a **suit** on the merits, in the United States of America, its territories or possessions, Canada or Puerto Rico, or in a settlement we agree to.

None of the following exclusions, except Contractual Liability and Expected or Intended Injury, apply to damage to premises rented to you.

**Bodily Injury/Property
Damage Exclusions**

Aircraft, Auto Or Watercraft

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use, operation, **loading or unloading**, or entrustment to others of any:

- aircraft;
- **auto**; or
- watercraft

which any **insured** owns, operates, rents or borrows.

This exclusion does not apply to:

- A. watercraft on land at your premises;
- B. watercraft that you do not own that is:
 - 1. less than 55 feet long; and
 - 2. not being used to carry persons or property for a charge;
- C. parking an **auto** on, or on the ways next to, premises you own or rent, provided the **auto** is not owned by or rented or loaned to you or the **insured**;
- D. liability assumed under any **insured contract** for the ownership, maintenance, or use of aircraft, or watercraft;
- E. **bodily injury** or **property damage** arising out of the operation of any of the equipment listed in paragraph F.2. or F.3. of the definition of **mobile equipment**; or
- F. aircraft you do not own, provided:
 - 1. the pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating him or her a commercial or airline transport pilot;
 - 2. it is rented with a trained, paid crew; and
 - 3. it is not being used to carry persons or property for a charge.

Premises/Operations

Bodily Injury/Property Damage Exclusions

(continued)

Contractual Liability

This insurance does not apply to **bodily injury** or **property damage** for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages:

- that the **insured** would have in the absence of the contract or agreement; or
- assumed in an oral or written contract or agreement that is an **insured contract**, provided the **bodily injury** or **property damage** occurs subsequent to the execution of the contract or agreement. When a claim for such **bodily injury** or **property damage** is made, we will defend that claim provided the **insured** has assumed the obligation to defend such claim in the **insured contract**. Such defense payments will not reduce the Limits of Insurance.

Damage To Impaired Property

This insurance does not apply to **property damage** to **impaired property** or property that has not been physically injured arising out of:

- a defect, deficiency, inadequacy, or dangerous condition in **your product** or **your work**; or
- a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

Damage To Property Of Others (Care, Custody Or Control)

This insurance does not apply to **property damage** to:

- personal property of others you rent;
- property of others you hold for sale or entrusted to you for storage or safekeeping;
- property of others on your premises for the purpose of having operations performed on such property by you or on your behalf;
- tools or equipment of others while being used by you in performing your operations; or
- property of others in your custody which you will be installing, erecting, or using in construction.

This exclusion does not apply to liability assumed under a sidetrack agreement.

Damage To Your Product

This insurance does not apply to **property damage** to **your product** arising out of it or any part of it.

Employer's Liability

This insurance does not apply to **bodily injury** to:

- A. an **employee** of the **insured** arising out of and in the course of:
 - 1. employment by the **insured**; or
 - 2. performing duties related to the conduct of the **insured's** business; or
- B. the spouse, child, parent, brother or sister of that **employee** as a consequence of A. above.

This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity; and

Bodily Injury/Property Damage Exclusions

Employer's Liability (continued)

- to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the **insured** under an **insured contract**.

Expected Or Intended Injury

This insurance does not apply to **bodily injury** or **property damage** which results from an act that:

- is intended by the **insured**; or
- can be expected from the standpoint of a reasonable person to cause **bodily injury** or **property damage**, even if the injury or damage is of a different degree or type than actually intended or expected.

This exclusion does not apply to **bodily injury** resulting from the use of reasonable force to protect persons or property.

Liquor Liability

This insurance does not apply to **bodily injury** or **property damage** for which any **insured** may be held liable by reason of:

- causing or contributing to the intoxication of any person;
- the furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Property Owned

This insurance does not apply to **property damage** to property you own.

Transportation Of Mobile Equipment

This insurance does not apply to **bodily injury** or **property damage** arising out of the transportation of **mobile equipment** by an **auto** owned or operated by or rented or loaned to any **insured**.

Workers' Compensation And Similar Laws

This insurance does not apply to any obligation of the **insured** under a workers compensation, disability benefits or unemployment compensation law or any similar law.

Premises/Operations

Advertising Injury/ Personal Injury Exclusions

Advertising, Broadcasting, Publishing, Telecasting or Telemarketing Business

This insurance does not apply to **advertising injury** or **personal injury** arising out of an offense committed by an **insured** whose business is advertising, broadcasting, publishing, telecasting or telemarketing.

This exclusion does not apply to offenses A., B., or C. under the definition of **personal injury**.

Breach Of Contract

This insurance does not apply to **advertising injury** arising out of breach of contract.

Contractual Liability

This insurance does not apply to **advertising injury** or **personal injury** for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages:

- that the **insured** would have in the absence of the contract or agreement; or
- assumed in a written contract or agreement that is an **insured contract**, provided the **advertising injury** or **personal injury** results from an offense committed subsequent to the execution of the contract or agreement. When a claim for such **advertising injury** or **personal injury** is made, we will defend that claim provided the **insured** has assumed the obligation to defend such claim in the **insured contract**. Such defense payments will not reduce the Limits of Insurance.

Failure To Conform To Advertising

This insurance does not apply to **advertising injury** arising out of the failure of goods, products or services to conform with advertised quality or performance.

Intentional Falsehoods

This insurance does not apply to **advertising injury** or **personal injury** arising out of oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity.

Prior Acts

This insurance does not apply to **advertising injury** or **personal injury** arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

Willful Violations

This insurance does not apply to **advertising injury** or **personal injury** arising out of the willful violation of a penal statute or ordinance committed by or with the knowledge or consent of the **insured**.

Wrong Description

This insurance does not apply to **advertising injury** arising out of the wrong description of the price of goods, products or services.

Medical Expense Exclusions

Athletic Activities

This insurance does not apply to **medical expense** for **bodily injury** to any person taking part in athletics.

Injury To An Insured

This insurance does not apply to **medical expense** for **bodily injury** to any **insured**.

Products-Completed Operations

This insurance does not apply to **medical expense** for **bodily injury** included within the **products-completed operations hazard**.

Workers' Compensation And Similar Laws

This insurance does not apply to **medical expense** for **bodily injury** to a person, whether or not an **employee** of any **insured**, if benefits for the **bodily injury** are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

Policy Exclusions

Intellectual Property

This insurance does not apply to **bodily injury**, **property damage**, **advertising injury** or **personal injury** arising out of or directly or indirectly related to the actual or alleged publication or utterances of oral or written statements, whether made in **advertising** or otherwise, which is claimed as an infringement, violation or defense of any of the following rights or laws:

- copyright, other than infringement of copyrighted advertising materials;
- patent;
- trade dress;
- trade secrets; or
- trademark or service mark or certification mark or collective mark or trade name, other than trademarked or service marked titles or slogans.

Nuclear Energy

- A. This insurance does not apply to **bodily injury**, **nuclear property damage**, **advertising injury** or **personal injury**:
1. 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 Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an **insured** under any such policy but for its termination upon exhaustion of its limit of liability; or
 2. resulting from the **hazardous properties** of **nuclear material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) 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.
- B. Under any Medical Expense coverage, this insurance does not apply to expenses incurred with respect to **bodily injury** resulting from the **hazardous properties** of **nuclear material** and arising out of the operation of a **nuclear facility** by any person or organization.

Premises/Operations

Policy Exclusions

Nuclear Energy (continued)

- C. This insurance does not apply to **bodily injury, nuclear property damage, advertising injury, or personal injury** resulting from the **hazardous properties of nuclear material**, if:
1. the **nuclear material** (a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured** or (b) has been discharged or dispersed therefrom;
 2. the **nuclear material** is contained in **spent fuel** or **nuclear waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **insured**; or
 3. the **bodily injury, nuclear property damage, advertising injury or personal injury** 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 3. applies only to **nuclear property damage** to such **nuclear facility** and any property therein.

Pollution

- A. This insurance does not apply to **bodily injury, property damage, advertising injury, or personal injury** arising out of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of **pollutants**:
1. at or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**;
 2. at or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
 3. which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you may be legally responsible; or
 4. at or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations:
 - a. if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor; or
 - b. if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **pollutants**.

Subparagraphs A.1. and A.4.a. do not apply to **bodily injury, property damage, advertising injury, or personal injury** arising out of heat, smoke or fumes from a **hostile fire**.

- B. This insurance does not apply to any loss, cost or expense arising out of any
1. request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
 2. claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing or in any way responding to, or assessing the effects of **pollutants**.

This exclusion does not apply to damage to premises rented to you caused by fire, explosion, smoke or leakage from fire protective equipment.

Liability Conditions

Arbitration

We are entitled to exercise all of the **insured's** rights in the choice of arbitrators and the conduct of any arbitration proceeding, except when the proceeding is between us and the **insured**.

Bankruptcy

Bankruptcy or insolvency of the **insured** or the **insured's** estate will not relieve us of any obligation to which this insurance applies.

Duties In The Event Of Occurrence, Offense, Claim Or Suit

- A. You must see to it that we are notified as soon as practicable of an **occurrence** or an offense which may result in a claim. To the extent possible, notice should include:
 - 1. how, when and where the **occurrence** or offense took place;
 - 2. the names and addresses of any injured persons and witnesses; and
 - 3. the nature and location of any injury or damage arising out of the **occurrence** or offense.
- B. If a claim is made or **suit** is brought against any **insured**, you must:
 - 1. immediately record the specifics of the claim or **suit** and the date received; and
 - 2. notify us in writing as soon as practicable.
- C. You and any other involved **insured** must:
 - 1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 - 2. authorize us to obtain records and other information;
 - 3. cooperate with us in the:
 - a. investigation or settlement of the claim or
 - b. defense of the **suit**; and
 - 4. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply.
- D. No **insureds** will, except at that **insured's** own cost, make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- E. Notice given by or on behalf of:
 - 1. the **insured**;
 - 2. the injured person; or
 - 3. any other claimant;to any licensed agent of ours with particulars sufficient to identify the **insured** shall be deemed notice to us.
- F. Knowledge of an **occurrence** or offense by any agent or **employee** of the **insured** will not constitute knowledge by the **insured**, unless an officer or his designee receives such notice from its agent or **employee**.
- G. Failure of an agent or **employee** of the **insured**, other than an officer or his designee, to notify us of any **occurrence** or offense which he knows about will not affect the insurance afforded you by this contract.

Premises/Operations

Liability Conditions

Duties In The Event Of Occurrence, Offense, Claim Or Suit (continued)

- H. If the **insured** reports any **occurrence** or offense as a Workers Compensation claim which later develops into a liability claim, the failure to report such **occurrence** or offense to us will not violate this provision provided the **insured** gives us immediate notice as soon as they are made aware of the fact that the **occurrence** or offense is a claim under this contract.

Legal Action Against Us

No person or organization has a right under this insurance:

- to join us as a party or otherwise bring us into a **suit** asking for damages from an **insured**; or
- to sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after:

- an actual trial in a civil proceeding;
- an arbitration proceeding; or
- an alternative resolution proceeding,

but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable Limits of Insurance.

Other Insurance

If other valid and collectible insurance is available to the **insured** for a loss we cover under **bodily injury, property damage, advertising injury** or **personal injury** coverage of this insurance, our obligations are limited as follows:

Primary Insurance

This insurance is primary except when the Excess Insurance provision described below applies.

If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then we will share with all that other insurance by the method described in the Method of Sharing provision described below.

Excess Insurance

- A. This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
- B. that is Fire, Extended Coverage, Builders' Risk, Installation Risk or similar coverage for **your work**;
- C. that is Fire insurance for premises rented to you;
- D. if the loss arises out of the maintenance or use of aircraft, **autos** or watercraft to the extent not subject to the Aircraft, Auto Or Watercraft exclusion; or
- E. that is valid and collectible **bodily injury, property damage, advertising injury**, or **personal injury** insurance:
1. provided you by anyone working under contract for you; or
 2. provided by another party's policy to which you have been added as an additional insured.

Liability Conditions

Other Insurance *(continued)*

When this insurance is excess, we will have no duty under **bodily injury, property damage, advertising injury** or **personal injury** coverages to defend any **insured** against a **suit** that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the **insured's** rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not purchased specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Premium Audit

We will compute all premiums for this insurance in accordance with our rules and rates.

In accordance with the Estimated Premiums section of the Premium Summary, premiums identified by an asterisk are estimated premiums and are subject to audit. In addition to or in lieu of such designation in the Premium Summary, premiums may be designated as estimated premiums in the Liability Insurance Section of this policy. In that event, these premiums will also be subject to audit and the second paragraph of the Estimated Premiums section of the Premium Summary will apply.

Separation Of Insureds

Except with respect to the Limits Of Insurance and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or **suit** is brought.

Transfer Of Rights Of Recovery

If the **insured** has rights to recover all or part of any payment we have made under this insurance, 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 **medical expense**.

Premises/Operations

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Advertising

Advertising means any advertisement, publicity article, broadcast or telecast.

Advertising Injury

Advertising injury means injury, other than **bodily injury** or **personal injury**, arising solely out of one or more of the following offenses committed in the course of **advertising** of your goods, products or services:

- oral or written publication of advertising material that slanders or libels a person or organization;
- oral or written publication of advertising material that violates a person's right of privacy; or
- infringement of copyrighted advertising materials or infringement of trademarked or service marked titles or slogans.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Auto

Auto means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But **auto** does not include **mobile equipment**.

Bodily Injury

Bodily injury means physical:

- injury,
- sickness, or
- disease

sustained by a person and, if arising out of the foregoing, mental anguish, mental injury, shock, humiliation or death at any time.

Employee

Employee includes a **leased worker** but does not include a **temporary worker**.

Executive Officer

Executive officer means a person holding any of the officer positions created by your charter, constitution or by-laws.

Hazardous Properties

Hazardous properties includes radioactive, toxic or explosive properties.

Hostile Fire

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

Definitions**WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:***Impaired Property*

Impaired property means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:

- it incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate, or dangerous; or
- you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- the repair, replacement, adjustment, or removal of **your product** or **your work**; or
- your fulfilling the terms of the contract or agreement.

Insured

Insured means any person or organization qualifying as an insured under the Who Is Insured provision and against whom claim is made or **suit** is brought.

Insured Contract

Insured contract means:

- a lease of premises;
- a sidetrack agreement;
- an easement or license agreement;
- an obligation as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- an elevator maintenance agreement;
- that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for **bodily injury, property damage, advertising injury, or personal injury** to a third person or organization.

An **insured contract** does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
- giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

Leased Worker

Leased worker means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.

Loading or Unloading

Loading or unloading means the handling of property;

- after it is moved from the place where it is accepted for movement into or onto an aircraft, **auto** or watercraft;
- while it is in or on an aircraft, **auto** or watercraft;

Premises/Operations

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Loading or Unloading (continued)

- while it is being moved from an aircraft, **auto** or watercraft to the place where it is finally delivered.

Loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, **auto** or watercraft.

Medical Expense

Medical expenses means reasonable expenses for:

- first aid administered at the time of an accident;
- necessary medical, surgical, x-ray, and dental services, including prosthetic devices; and
- necessary ambulance, hospital, professional nursing and funeral services.

Mobile Equipment

Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:

- bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- vehicles maintained for use solely on or next to premises you own or rent;
- vehicles that travel on crawler treads;
- vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - power cranes, shovels, loaders, diggers or drills; or
 - road construction or resurfacing equipment such as graders, scrapers or rollers;
- vehicles not described in A., B., C. or D. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - cherry pickers and similar devices used to raise or lower workers; and
- vehicles not described in A., B., C. or D. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but will be considered **autos**:
 - equipment designed primarily for:
 - snow removal;
 - road maintenance, but not construction or resurfacing;
 - street cleaning;
 - cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**Nuclear Facility**

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 **nuclear 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 **nuclear 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 Material

Nuclear material means **source material**, **special nuclear material** or **by-product material**.

Nuclear Property Damage

Nuclear property damage means **property damage** including all forms of radioactive contamination of property.

Nuclear Reactor

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.

Nuclear Waste

Nuclear waste means any waste material:

- A. containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content, and
- B. 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.

Occurrence

Occurrence means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

Personal Injury

Personal injury means injury, other than **bodily injury**, arising out of one or more of the following offenses committed in the course of your business, other than your **advertising**:

- A. false arrest, detention or imprisonment;
- B. malicious prosecution;

Premises/Operations

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Personal Injury (continued)

- C. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or persons occupy, by or on behalf of its owner, landlord or lessor;
- D. oral or written publication of material that slanders or libels a person or organization;
- E. oral or written publication of material that violates a person's right of privacy; or
- F. discrimination (unless insurance thereof is prohibited by law) based on race, color, religion, sex, age or national origin; except when alleged, charged or suffered by any:
 - 1. applicant for employment;
 - 2. present or former **employee**; or
 - 3. prospective **employee**.

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.

Products-Completed Operations Hazard

- 1. **Products-completed operations hazard** includes all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:
 - products that are still in your physical possession; or
 - work that has not yet been completed or abandoned.
- 2. **Your work** will be deemed completed at the earliest of the following times:
 - when all of the work called for in your contract has been completed.
 - when all of the work to be done at the site has been completed if your contract calls for work at more than one site;
 - when that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- 3. This hazard does not include **bodily injury** or **property damage** arising out of:
 - the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the **loading or unloading** of it;
 - the existence of tools, un-installed equipment or abandoned or unused materials;
 - products or operations for which the classification in our manual rules includes products or completed operations.

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**Property Damage**

Property damage means:

- physical injury to tangible property including the resulting 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; or
- loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it.

Source Material Special Nuclear Material, and By-Product Material

Source material, special nuclear material, and by-product material have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

Spent Fuel

Spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

Suit

Suit means a civil proceeding in which damages because of **bodily injury, property damage, advertising injury or personal injury** to which this insurance applies are alleged. **Suit** also includes:

- an arbitration proceeding in which such damages are claimed and to which the **insured** must submit or does submit with our consent; or
- any other alternative dispute resolution proceeding in which such damages are claimed and to which the **insured** submits with our consent.

Temporary Worker

Temporary worker means a person who is furnished to you for a finite time period to support or supplement your work force in special work situations such as **employee** absences, temporary skill shortages and seasonal workloads.

Your Product

Your product means:

- A. any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - 1. you;
 - 2. others trading under your name; or
 - 3. a person or organization whose business or assets you have acquired; and
- B containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and

Premises/Operations

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Your Products (continued)

- the providing of or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for the use of others but not sold.

Your Work

Your work means:

- work or operations performed by you or on your behalf; and
- materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
- the providing of or failure to provide warnings or instructions.

Liability Insurance

Extended General Liability (Including Products-Completed Operations / Human Clinical Trials Claims-Made) For Life Sciences

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Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Contract

Please read the entire policy carefully. The terms and conditions of this insurance include the various sections of this contract: Coverages; Investigation, Defense And Settlements; Supplementary Payments; Coverage Territory; Who Is An Insured; Limits Of Insurance; Exclusions; Extended Reporting Periods; Conditions; and Definitions, as well as the Declarations, Common Policy Conditions and any Endorsements and Schedules made a part of this insurance.

Throughout this contract the words "you" and "your" refer to the Named **Insured** shown in the Declarations and other persons or organizations qualifying as a named **insured** under this contract. The words "we," "us" and "our" refer to the Company providing this insurance.

In addition to the named **insured**, other persons or organizations may qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is An Insured section of this contract.

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract. The words **occurrence** and **property damage** have special meanings, relative to specific coverages, described in the Definitions section of this contract.

The trigger of coverage under Hazardous Substances/Pollution Liability Coverage–Time Element Basis differs from that which applies to other coverages under this policy. This coverage applies only if an **occurrence** to which this insurance applies, commences during the policy period and is discovered and reported in strict conformance with all time frames and requirements specified under the provisions of the Condition titled Hazardous Substances/Pollution Liability–Time Element Basis – Special Duties In The Event Of Occurrence, Claim Or Suit.

Under Hazardous Substances/Pollution Liability Coverage–Time Element Basis, either the **insured** or we may demand that coverage disagreements be resolved by binding arbitration.

The use of the words damages, loss, cost or expense in any provision does not expand any coverages under this contract.

THIS INSURANCE PROVIDES CLAIMS-MADE COVERAGE FOR **BODILY INJURY AND PROPERTY DAMAGE** INCLUDED IN THE **PRODUCTS-COMPLETED OPERATIONS HAZARD**. EXCEPT AS OTHERWISE PROVIDED, SUCH COVERAGE APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE **INSURED** DURING THE POLICY PERIOD.

Coverages

Premises/Operations Liability Coverage

Subject to all of the terms and conditions of this insurance, we will pay damages and **claimant costs** that the **insured** becomes legally obligated to pay, including by reason of liability of another person or organization that you assume in an **insured contract**, for **bodily injury** or **property damage** that is caused by an **occurrence** to which this coverage applies.

This coverage does not apply to any damages, loss, cost or expense arising out of any injury or damage included in the **products-completed operations hazard**.

This coverage applies only to such **bodily injury** or **property damage** that occurs during the policy period. If there is no **other insurance** available, then the **bodily injury** or **property damage** will be deemed to include a change, continuation or resumption of such injury or damage after the end of the policy period.

Reference Copy

Coverages

Premises/Operations Liability Coverage (continued)

However, this coverage does not apply to any damages, loss, cost or expense arising out of any injury or damage that is a change, continuation or resumption of any injury or damage that occurred, in whole or in part, before the beginning of the policy period.

Damages for **bodily injury** include damages claimed by a person or organization for care, loss of services or death resulting at any time from the **bodily injury**.

The most we will pay hereunder is fixed as set forth in the Limits Of Insurance section of this contract.

Our obligations hereunder end when we have used up the applicable Limits Of Insurance.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

Products-Completed Operations Liability Coverage

THIS COVERAGE APPLIES ON A CLAIMS -MADE BASIS.

- A. Subject to all of the terms and conditions of this insurance, we will pay damages and **claimant costs** that the **insured** becomes legally obligated to pay, including by reason of liability of another person or organization that you assume in an **insured contract**, for **bodily injury** or **property damage**, included in the **products-completed operations hazard**, that is caused by an **occurrence** to which this coverage applies.
- B. This coverage applies only if:
1. such **bodily injury** or **property damage** did not occur:
 - a. in whole or in part, before the Retroactive Date shown in the Declarations; or
 - b. after the end of the policy period; and
 2. a claim by a person or organization for damages for the **bodily injury** or **property damage** is:
 - a. first made against any **insured** during:
 - i. the policy period; or
 - ii. any Extended Reporting Period we provide, as described in the Extended Reporting Period section of this contract; or
 - b. made in accordance with the provisions of the Condition titled Duties To Report Circumstances.
- C. If there is no **other insurance** available, then the limitation described in subparagraph B.1.b. above does not apply to injury or damage:
1. that is a change, continuation or resumption of such injury or damage described in subparagraph B.1. above.
 2. that is caused by an **occurrence**, if such **occurrence** also caused other injury or damage that gave rise to a claim that was first made against any **insured** during the policy period.
 3. for which a claim is made in accordance with the provisions of the Condition titled Duties To Report Circumstances.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Coverages

Products-Completed Operations Liability Coverage (continued)

However, this coverage applies only with respect to:

- **your product**, if you relinquished physical possession of it;
- **your work**, if completed or abandoned; or
- **a human clinical trial** that began;

before the earliest of:

- the later of the end of the policy period of this insurance or a subsequent, continuous renewal or replacement of this insurance that is issued to the person or organization first named in the Declarations by us or by an affiliate of ours; or
- (if applicable) the effective date shown on the first of any endorsement that excludes coverage for such product, work or trial under this insurance or under any subsequent, continuous renewal or replacement of this insurance.

D. For purposes of this coverage:

1. **bodily injury** or **property damage** will be deemed to include a change, continuation or resumption of such injury or damage.
2. a claim by a person or organization for damages for the **bodily injury** or **property damage** will be deemed to have been made at the earliest of the following times, when:
 - a. notice of such claim is received and recorded by:
 - i. any **insured**; or
 - ii. us; or
 - b. we, at our discretion, make a settlement
3. all claims made for damages for the **bodily injury** to the same person, including damages claimed by a person or organization for care, loss of services or death resulting at any time from the **bodily injury**, will be deemed to have been made at the time the first of such claims is made against any **insured**, and therefore this coverage does not apply if the first of such claims was made before the beginning of the policy period.
4. all claims made for damages for the **property damage** causing loss to the same person or organization will be deemed to have been made at the time the first of such claims is made against any **insured**, and therefore this coverage does not apply if the first of such claims was made before the beginning of the policy period.
5. with respect to a claim described in subparagraph B.2. above (for damages for injury or damage caused by an **occurrence** to which this coverage applies), subsequent claims for injury or damage caused by such **occurrence** will be deemed to have been made at the time such claim described in subparagraph B.2. above is made against any **insured**. However, this coverage does not apply to any claim for damages, loss, cost or expense arising out of any injury or damage that is caused by an **occurrence**, if such **occurrence** also caused other injury or damage which resulted in a claim first made against any **insured** during the policy period of any prior policy issued to you by us or by an affiliate of ours.

Reference Copy

Coverages

Products-Completed Operations Liability Coverage (continued)

The most we will pay hereunder is fixed as set forth in the Limits Of Insurance section of this contract.

Our obligations hereunder end when we have used up the applicable Limits Of Insurance.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

Advertising Injury And Personal Injury Liability Coverage

Subject to all of the terms and conditions of this insurance, we will pay damages and **claimant costs** that the **insured** becomes legally obligated to pay, including by reason of liability of another person or organization that you assume in an **insured contract**, for **advertising injury** or **personal injury** that is caused by an offense to which this coverage applies.

This coverage applies only if such offense is first committed during the policy period.

However, this coverage does not apply to any damages, loss, cost or expense arising out of any injury in connection with any offense committed, in whole or in part, before the beginning of the policy period.

The most we will pay hereunder is fixed as set forth in the Limits Of Insurance section of this contract.

Our obligations hereunder end when we have used up the applicable Limits Of Insurance.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

Hazardous Substances/ Pollution Liability Coverage-Time Element Basis

A. Subject to all of the terms and conditions of this insurance, we will pay:

1. damages and **claimant costs** that the **insured** becomes legally obligated to pay, including by reason of liability of another person or organization that you assume in an **insured contract**, for **bodily injury**; and
2.
 - a. damages;
 - b. costs or expenses for **cleanup**; and
 - c. **claimant costs**;

that the **insured** becomes legally obligated to pay, including by reason of liability of another person or organization that you assume in an **insured contract**, for **property damage**.

This coverage applies only to such **bodily injury** or **property damage** that is caused by an **occurrence** to which this coverage applies.

Damages for **bodily injury** include damages claimed by a person or organization for care, loss of services or death resulting at any time from the **bodily injury**.

B. This coverage applies only if such **occurrence**

1. commences during the policy period; and

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Coverages

Hazardous Substances/ Pollution Liability Coverage-Time Element Basis (continued)

2. is first discovered by an **insured** not later than seven calendar days following such commencement and you mail or deliver to us written notice not later than 40 calendar days following such discovery. Such notice must be in strict conformance with the provisions of the Condition titled Hazardous Substances/Pollution Liability-Time Element Basis – Special Duties In The Event Of Occurrence, Claim Or Suit.

As a condition precedent to our obligations under this coverage, the **insured** must strictly conform with all of the requirements specified in subparagraph B.2. above, regardless of whether or not we are prejudiced by failure of those requirements to be met.

If we or any insurer affiliated with us issue coverage for more than one policy period, then obligations for all damages, loss, cost or expense arising out of any one **occurrence** will be subject to, and governed by, only the Limits Of Insurance and the other terms and conditions of the policy, if any, that was effective at the time such **occurrence** is deemed to have commenced.

The most we will pay hereunder is fixed as set forth in the Limits Of Insurance section of this contract.

Our obligations hereunder end when we have used up the applicable Limits Of Insurance.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

Medical Expenses Coverage

Subject to all of the terms and conditions of this insurance, we will pay **medical expenses** for **bodily injury** that is caused by an accident to which this coverage applies:

- in connection with your operations; or
- that takes place on premises owned by or rented to you;

provided that such:

- accident occurs during the policy period;
- **bodily injury** is not excluded under any section of this contract;
- expenses are incurred and reported to us within three years of the date of the accident; and
- person that sustained the **bodily injury** submits to examination by healthcare professionals of our choice as often as we reasonably require.

We will make these payments regardless of fault.

This coverage does not apply to any damages, loss, cost or expense arising out of any injury included in the **products-completed operations hazard**, unless such injury is **bodily injury** that results from a **human clinical trial** to which this insurance applies, as described in the definition of **products-completed operations hazard**.

The most we will pay hereunder is fixed as set forth in the Limits Of Insurance section of this contract.

Our obligations hereunder end when we have used up the applicable Limits Of Insurance.

We have no other obligation or liability to pay sums or perform acts or services under this coverage.

Reference Copy

Coverages

(continued)

Human Clinical Trials Special Provisions

Unless otherwise indicated, this insurance applies to a **human clinical trial**, but only if:

- at the commencement of the trial, the **insured** is in receipt of all necessary authorizations;
- the **insured** takes reasonable measures to ensure that the trial is conducted in accordance with all applicable agreements, contracts, laws, procedures, protocols and regulations (including all applicable filing requirements); and
- exposure to material in connection with such trial did not first occur before the earliest of the beginning of the policy period or Retroactive Date (as applicable).

Investigation, Defense And Settlements

Subject to all of the terms and conditions of this insurance, we will have the right and duty to defend the **insured** against a **suit**, even if such **suit** is false, fraudulent or groundless.

If such a **suit** is brought, we will pay reasonable attorney fees and necessary litigation expenses, that are **claim adjustment expenses**, to defend:

- the **insured**; and
- if applicable, the indemnitee of the **insured**, provided the obligation for the cost of the defense of such indemnitee has been assumed by such **insured** in an **insured contract**

We have no duty to defend any person or organization against any **suit** to which this insurance does not apply.

We may, at our discretion, investigate any **occurrence** or offense and make any settlement, regardless of whether or not any claim has been made or **suit** has been brought.

The most we will pay hereunder is fixed as set forth in the Limits Of Insurance section of this contract.

Our obligations hereunder end when we have used up the applicable Limits Of Insurance.

Supplementary Payments

Subject to all of the terms and conditions of this insurance, we will pay, with respect to a claim we investigate or settle, or a **suit** against an **insured** we defend:

- reasonable expenses (other than **claim adjustment expenses**) incurred by the **insured** at our request to assist us in the investigation of or defense against such claim or **suit**, including actual loss of earnings up to \$1,000 a day because of time off from work.
- prejudgment interest awarded against the **insured** on that part of a judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, then we will not pay any prejudgment interest based on that period of time after the offer.
- interest on the full amount of a judgment that accrues after entry of the judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.

The most we will pay hereunder is fixed as set forth in the Limits Of Insurance section of this contract.

Our obligations hereunder end when we have used up the applicable Limits Of Insurance.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Coverage Territory

Subject to all of the terms and conditions of this insurance, this insurance:

- A. applies anywhere, except to the extent that the limitations in subparagraph B. below apply.
- B. does not apply to:
 - 1. a. **bodily injury** or **property damage** that takes place; or
 - b. **advertising injury** or **personal injury** caused by an offense committed; outside the United States of America (including its possessions and territories), Canada and Puerto Rico, unless a **suit** on the merits (to determine the **insured's** responsibility to pay damages to which this insurance applies) is brought in the United States of America (including its possessions and territories), Canada or Puerto Rico.
 - 2. any damages, loss, cost or expense in connection with any **suit** brought outside the United States of America (including its possessions and territories), Canada and Puerto Rico.

Who Is An Insured

THE PROVISIONS SET FORTH IN THE WHO IS AN INSURED SECTION OF THIS CONTRACT ARE SUBJECT TO THE LIMITATIONS CONTAINED IN THE PROVISION TITLED LIMITATIONS ON WHO IS AN INSURED.

Sole Proprietorships

If you are an individual, you and your spouse are **insureds**; but you and your spouse are **insureds** only with respect to the conduct of a business of which you are the sole owner.

If you die:

- persons or organizations having proper temporary custody of your property are **insureds**; but they are **insureds** only with respect to the maintenance or use of such property and only for acts until your legal representative has been appointed; and
- your legal representatives are **insureds**; but they are **insureds** only with respect to their duties as your legal representatives. Such legal representatives will assume your rights and duties under this insurance.

Partnerships Or Joint Ventures

If you are a partnership (including a limited liability partnership) or a joint venture, you are an **insured**. Your members, your partners and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business.

Limited Liability Companies

If you are a limited liability company, you are an **insured**. Your members and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business. Your managers are **insureds**; but they are **insureds** only with respect to their duties as your managers.

Other Organizations

If you are an organization (including a professional corporation) other than a partnership, joint venture or limited liability company, you are an **insured**. Your directors and **officers** are **insureds**; but they are **insureds** only with respect to their duties as your directors or **officers**. Your stockholders and their spouses are **insureds**; but they are **insureds** only with respect to their liability as your stockholders.

Reference Copy

Who Is An Insured

(continued)

Subsidiary Or Newly Acquired Or Formed Organizations

If there is no **other insurance** available, the following organizations will qualify as named **insureds**:

- A. a subsidiary organization of the first named **insured** shown in the Declarations of which, at the beginning of the policy period and at the time of loss, such first named **insured** controls, either directly or indirectly, more than 50 percent of the interests entitled to vote generally in the election of the governing body of such organization; or
- B. a subsidiary organization of the first named **insured** shown in the Declarations that such first named **insured** acquires or forms during the policy period, if at the time of loss such first named **insured** controls, either directly or indirectly, more than 50 percent of the interests entitled to vote generally in the election of the governing body of such organization.

However, unless we agree to extend coverage for an additional period (in accordance with the provisions of Limitations On Who Is An Insured), any coverage under subparagraph B. above applies only to:

- 1. **bodily injury** or **property damage** that did not occur; or
- 2. **advertising injury** or **personal injury** caused by an offense that was not first committed;

later than the earliest of:

- 90 days after such acquisition or formation is executed; or
- the end of the policy period.

Employees

Your **employees** are **insureds**; but they are **insureds** only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, no **employee** is an **insured** with respect to any damages, loss, cost or expense arising out of any:

- A. injury actually or allegedly sustained at any time by:
 - 1. you, by any of your directors, managers, members, **officers**, partners (whether or not any of the foregoing is an **employee**) or by any co-**employee** while such injured person is either in the course of their employment or while performing duties related to the conduct of your business; or
 - 2. any spouse, child, parent, brother or sister of such injured person as a consequence of any injury or damage described in subparagraph A. 1. above.

Subparagraph A. above also applies to any obligation to share any damages, loss, cost or expense with or to repay any person or organization that must pay any damages, loss, cost or expense because of any of the foregoing.

With respect to **bodily injury** only, the limitation described in subparagraph A. above does not apply to:

- you or to your directors, managers, members, **officers**, partners or supervisors as **insureds**; or
- your **employees**, as **insureds**, with respect to such injury caused by cardiopulmonary resuscitation or other first aid services administered by such an **employee**.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Who Is An Insured

Employees (continued)

- B. **property damage** to any property owned, occupied or used by you or by any of your directors, managers, members, **officers** or partners (whether or not any of the foregoing is an **employee**) or by any of your **employees**.

This limitation does not apply to **property damage** to a premises while rented to you or temporarily occupied by you with the permission of the owner.

Volunteers

Persons who are volunteer workers for you are **insureds**; but they are **insureds** only for acts within the scope of their activities for you and at your direction. However, no such person is an **insured** in connection with their voluntary participation in a **human clinical trial**.

Real Estate Managers

Persons (other than your **employees**) or organizations acting as your real estate managers are **insureds**; but they are **insureds** only with respect to their duties as your real estate managers.

Lessors Of Equipment

Persons (other than your **employees**) or organizations from whom you lease equipment are **insureds**; but they are **insureds** only if you are obligated (pursuant to a written contract or agreement between you and such person or organization) to provide them with such insurance as is afforded by this policy.

However, such a person or organization is an **insured** only:

- with respect to the maintenance or use by you of such equipment.
- for such activities that did not occur after the equipment lease ends.
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**.
- for such activities that did not occur, in whole or in part, before the execution of the contract or agreement.

No person or organization is an **insured** under this provision with respect to any assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that such person or organization would have in the absence of such contract or agreement.

Lessors Of Premises

Persons (other than your **employees**) or organizations from whom you lease premises are **insureds**; but they are **insureds** only if you are obligated (pursuant to a written contract or agreement between you and such person or organization) to provide them with such insurance as is afforded by this policy.

However, such a person or organization is an **insured** only:

- for such activities that did not occur after you cease to be a tenant in such premises.
- with respect to the ownership, maintenance or use of that particular part of such premises leased to you.
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**.

Reference Copy

Who Is An Insured

Lessors Of Premises (continued)

- for such activities that did not occur, in whole or in part, before the execution of the contract or agreement.

No person or organization is an **insured** under this provision with respect to any:

- assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that such person or organization would have in the absence of such contract or agreement.
- structural alteration, new construction or demolition operations performed by or on behalf of them.

Vendors

Persons (other than your **employees**) or organizations that are vendors of **your product** are **insureds**; but they are **insureds** only if you are obligated (pursuant to a contract or agreement) to provide them with such insurance as is afforded by this policy.

However, such a person or organization is an **insured** only:

- with respect to their liability for damages for **bodily injury** or **property damage** resulting from the distribution or sale of **your product** to which this insurance applies;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**; and
- for such activities that did not occur, in whole or in part, before the execution of the contract or agreement.

No person or organization is an **insured** under this provision with respect to any:

- assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that such person or organization would have in the absence of such contract or agreement.
- representation or warranty unauthorized by you.
- reckless or willful violation of any law or regulation.
- failure to make adjustments, inspections, services or tests that the person or organization has agreed to make or normally undertakes to make in the regular course of their business in connection with the distribution or sale of **your product**.
- chemical or physical change in **your product** made intentionally by the person or organization.
- repacking, unless unpacked solely for the purpose of demonstration, inspection or testing or the substitution of parts under instruction from the manufacturer and then repacked in the original container.
- demonstration, installation, repair or servicing operations, except such operations performed at the person's or organization's premises in connection with the distribution or sale of **your product**.
- of **your products** that, after distribution or sale by you, have been labeled or relabeled or used as a container, ingredient or part of any other substance or thing by or for the person or organization.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Who Is An Insured

Vendors (continued)

Further, no person or organization is an **insured** under this provision:

- A. from whom you have acquired **your product**, or any container, ingredient or part accompanying, entering into or containing **your product**.
- B. that is acting as a:
 - 1. **human clinical trial contractor**;
 - 2. **life science product sales contractor**; or
 - 3. **life science product service contractor**.

Human Clinical Trial Contractors

Persons (other than your **employees**) or organizations acting as **human clinical trial contractors** for you are **insureds**; but they are **insureds** only if you are obligated (pursuant to a written contract or agreement between you and such person or organization) to provide them with such insurance as is afforded by this policy.

However, such a person or organization is an **insured** only:

- A. with respect to their liability for damages for **bodily injury** or **property damage**:
 - 1. included in the **products-completed operations hazard**; and
 - 2. resulting from activities in connection with a **human clinical trial** to which this insurance applies;
- B. to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**; and
- C. for such activities that did not occur, in whole or in part, before the execution of the contract or agreement.

No person or organization is an **insured** under this provision with respect to any:

- assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that such person or organization would have in the absence of such contract or agreement.
- representation or warranty unauthorized by you.
- reckless or willful violation of any law or regulation.
- chemical or physical change in **your product** made intentionally by such person or organization.

Further, no person or organization from whom you have acquired **your product**, or any container, ingredient or part accompanying, entering into or containing **your product**, is an **insured** under this provision.

Reference Copy

Who Is An Insured

(continued)

Life Science Product Sales Contractors

Persons (other than your **employees**) or organizations acting as **life science product sales contractors** for you are **insureds**; but they are **insureds** only if you are obligated (pursuant to a written contract or agreement between you and such person or organization) to provide them with such insurance as is afforded by this policy.

However, such a person or organization is an **insured** only:

- with respect to their liability for damages for **bodily injury** or **property damage** resulting from the dispensing, distribution, furnishing or sale of **your product** that is a **life science product** to which this insurance applies;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**; and
- for such activities that did not occur, in whole or in part, before the execution of the contract or agreement.

No person or organization is an **insured** under this provision with respect to any:

- assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that such person or organization would have in the absence of such contract or agreement.
- representation or warranty unauthorized by you.
- reckless or willful violation of any law or regulation.
- chemical or physical change in **your product** made intentionally by the person or organization.
- of **your products** that, after distribution or sale by you, have been labeled or relabeled or used as a container, ingredient or part of any other substance or thing by or for the person or organization. This limitation does not apply to such relabeling of **your product** in the regular course of dispensing or furnishing the required amount or dosage of such product.

Further, no person or organization from whom you have acquired **your product**, or any container, ingredient or part accompanying, entering into or containing **your product**, is an **insured** under this provision.

Life Science Product Service Contractors

Persons (other than your **employees**) or organizations acting as **life science product service contractors** for you are **insureds**; but they are **insureds** only if you are obligated (pursuant to a written contract or agreement between you and such person or organization) to provide them with such insurance as is afforded by this policy.

However, such a person or organization is an **insured** only:

- with respect to their liability for damages for **bodily injury** or **property damage** resulting from activities within the scope of a **life science product service** to which this insurance applies;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**; and
- for such activities that did not occur, in whole or in part, before the execution of the contract or agreement.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Who Is An Insured

Life Science Product Service Contractors (continued)

No person or organization is an **insured** under this provision with respect to any:

- assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that such person or organization would have in the absence of such contract or agreement.
- representation or warranty unauthorized by you.
- reckless or willful violation of any law or regulation.
- chemical or physical change in **your products** made intentionally by the person or organization.

Further, no person or organization from whom you have acquired **your product**, or any container, ingredient or part accompanying, entering into or containing **your product**, is an **insured** under this provision.

Other Persons Or Organizations Pursuant To Contract Or Agreement

Persons or organizations that you are obligated pursuant to a contract or agreement to provide with such insurance as is afforded by this policy are **insureds**.

However, such a person or organization is an **insured** only:

- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**; and
- for such activities that did not occur, in whole or in part, before the execution of the contract or agreement.

No person or organization is an **insured** under this provision:

- A. that is more specifically identified under any other provision of the Who Is An Insured section (regardless of any limitation applicable thereto).
- B. with respect to any:
 - 1. assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that such person or organization would have in the absence of such contract or agreement.
 - 2. representation or warranty unauthorized by you.
 - 3. reckless or willful violation of any law or regulation.
 - 4. failure to make adjustments, inspections, services or tests that the person or organization has agreed to make or normally undertakes to make in the regular course of their business in connection with the distribution or sale of **your product**.
 - 5. chemical or physical change in **your product** made intentionally by the person or organization.
 - 6. demonstration, installation, repair or servicing operations, except such operations performed at the person's or organization's premises in connection with the distribution or sale of **your product**.

Reference Copy

Who Is An Insured

Other Persons Or Organizations Pursuant To Contract Or Agreement (continued)

7. of **your products** that, after distribution or sale by you, have been labeled or relabeled or used as a container, ingredient or part of any other substance or thing by or for the person or organization.
8. rendering of or failure to render any professional service, advice or instruction regardless of whether or not such service, advice or instruction is ordinary to any **insured's** profession and regardless of whether or not a claim is made or **suit** is brought by any client or other person or organization. With respect to the rendering of or failure to render a **healthcare service** only, this limitation does not apply to **bodily injury** caused by a defect, deficiency, inadequacy or dangerous condition in **your product** to which this insurance applies.

The limitations described in subparagraphs B.5. through B.7. above do not apply to the extent that:

- you have agreed in a written contract or agreement that such person or organization will provide such operations for you; and
- such written contract or agreement requires the person or organization to be afforded status as an **insured**.

Limitations On Who Is An Insured

- A. Except to the extent provided under the Subsidiary Or Newly Acquired Or Formed Organizations provision, no person or organization is an **insured** with respect to the conduct of any person or organization that is not shown as a named **insured** in the Declarations.
- B. With respect to any claims-made coverage, no person or organization is an **insured** with respect to any damages, loss, cost or expense arising out of any **circumstance** or any injury, damage, claim or **suit** (whether or not any of the foregoing is a **circumstance**) reported, in whole or in part at any time, to us or an affiliate of ours under any insurance that is antecedent to this insurance.
- C. With respect to any claims-made coverage, no specific person or organization is an **insured** with respect to any damages, loss, cost or expense arising out of any:
 1. injury, damage, claim or **suit** (whether or not any of the foregoing is a **circumstance**) that is **deemed known** by such person or organization before the later of the:
 - a. beginning of the policy period; or
 - b. effective date the person or organization first becomes covered under this insurance;including any change, continuation or resumption of any such injury or damage at any time.
 2. **circumstance** that is **deemed known** by such person or organization before the later of the:
 - a. beginning of the policy period; or
 - b. effective date the person or organization first becomes covered under this insurance;which would reasonably be expected to result in any payment under this insurance.

If any limitation described in paragraph C. above applies to a specific organization, then such limitation also applies to (and therefore this insurance does not apply to) any of such organization's directors, managers (if a limited liability company), members (if a partnership, joint venture or limited liability company), **officers** or partners.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Who Is An Insured

Limitations On Who Is An Insured (continued)

The limitations described in paragraph C. above do not apply to a specific person that is your **employee**, unless such person is a named **insured** or a director, manager (if you are a limited liability company), member (if you are a partnership, joint venture or limited liability company), **officer** or partner.

- D. No person or organization is an **insured** with respect to any damages, loss, cost or expense arising out of any:
1. ownership, maintenance or use of any assets; or
 2. conduct of any person or organization whose assets, business or organization;
- any named **insured** acquires, either directly or indirectly, for any:
- **bodily injury** or **property damage** that occurs; or
 - **advertising injury** or **personal injury** arising out of any offense committed; in whole or in part, before such acquisition is executed.
- E. No person or organization is an **insured** with respect to any damages, loss, cost or expense arising out of any:
1. ownership, maintenance or use of any assets any named **insured** acquires;
 2. conduct of any person or organization whose assets, business or organization any named **insured** acquires; or
 3. conduct of any organization any named **insured** forms;
- during the policy period, either directly or indirectly, for any:
- **bodily injury** or **property damage** that occurs; or
 - **advertising injury** or **personal injury** arising out of any offense first committed; later than:
 - 90 days after such acquisition or formation is executed; or
 - the end of the policy period;
- whichever comes first, unless:
- you give us written notice describing the acquisition or formation for which you are requesting an extension of coverage for an additional period;
 - we agree to issue an endorsement to extend coverage for an additional period (up to the end of the policy period) in connection with the acquisition or formation, in accordance with the terms, conditions and additional premiums determined by us; and
 - you accept such terms and conditions and pay such premiums on or before the due date.

Reference Copy

Limits Of Insurance

The Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay, regardless of the number of:

- **insureds;**
- claims made or **suits** brought; or
- persons or organizations making claims or bringing **suits**.

The Limits Of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

General Aggregate Limit

Subject to the Each Occurrence Premises/Operations Limit and all other applicable limits set forth in this section of this contract, the General Aggregate Limit is the most we will pay for the sum of all damages, **claimant costs**, **medical expenses** and other amounts described as reducing the Limits Of Insurance (see the provision titled Payments That Reduce The Limits Of Insurance) under:

- Premises/Operations Liability Coverage;
- Hazardous Substances/Pollution Liability Coverage—Time Element Basis; and
- Medical Expenses Coverage;

for all **bodily injury** and **property damage**, except in connection with injury or damage included in the **products-completed operations hazard**.

Any such sum we pay will reduce the amount of the General Aggregate Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

Products-Completed Operations Aggregate Limit

Subject to the Each Occurrence Products-Completed Operations Limit and all other applicable limits set forth in this section of this contract, the Products-Completed Operations Aggregate Limit is the most we will pay for the sum of all damages, **claimant costs**, **medical expenses** and other amounts described as reducing the Limits Of Insurance (see the provision titled Payments That Reduce The Limits Of Insurance) under:

- Products-Completed Operations Liability Coverage;
- Hazardous Substances/Pollution Liability Coverage—Time Element Basis; and
- Medical Expenses Coverage;

for all **bodily injury** and **property damage** included in the **products-completed operations hazard**.

Any such sum we pay will reduce the amount of the Products-Completed Operations Aggregate Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

Advertising Injury And Personal Injury Aggregate Limit

The Advertising Injury And Personal Injury Aggregate Limit is the most we will pay for the sum of all damages, **claimant costs** and other amounts described as reducing the Limits Of Insurance (see the provision titled Payments That Reduce The Limits Of Insurance) under Advertising Injury And Personal Injury Liability Coverage for all **advertising injury** and **personal injury**.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Limits Of Insurance

Advertising Injury And Personal Injury Aggregate Limit (continued)

Any such sum we pay will reduce the amount of the Advertising Injury And Personal Injury Aggregate Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

Each Occurrence Premises/Operations Limit

Subject to all other applicable limits set forth in this section of this contract, the Each Occurrence Premises/Operations Limit is the most we will pay for the sum of all damages, **claimant costs**, **medical expenses** and other amounts described as reducing the Limits Of Insurance (see the provision titled Payments That Reduce The Limits Of Insurance) under:

- Premises/Operations Liability Coverage;
- Hazardous Substances/Pollution Liability Coverage–Time Element Basis; and
- Medical Expenses Coverage;

for all **bodily injury** and **property damage**, except in connection with injury or damage included in the **products-completed operations hazard**, arising out of any one **occurrence**

Any such sum we pay will reduce the amount of the Each Occurrence Premises/Operations Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

Each Occurrence Products–Completed Operations Limit

Subject to all other applicable limits set forth in this section of this contract, the Each Occurrence Products-Completed Operations Limit is the most we will pay for the sum of all damages, **claimant costs**, **medical expenses** and other amounts described as reducing the Limits Of Insurance (see the provision titled Payments That Reduce The Limits Of Insurance) under:

- Products-Completed Operations Liability Coverage;
- Hazardous Substances/Pollution Liability Coverage–Time Element Basis; and
- Medical Expenses Coverage;

for all **bodily injury** and **property damage**, included in the **products-completed operations hazard**, arising out of any one **occurrence**

Any such sum we pay will reduce the amount of the Each Occurrence Products-Completed Operations Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

Damage To Premises Rented To You Limit

Subject to the Each Occurrence Premises/Operations Limit and all other applicable limits set forth in this section of this contract, the Damage To Premises Rented To You Limit is the most we will pay for the sum of all damages, **claimant costs** and other amounts described as reducing the Limits Of Insurance (see the provision titled Payments That Reduce The Limits Of Insurance) under:

- Premises/Operations Liability Coverage; and
- Hazardous Substances/Pollution Liability Coverage–Time Element Basis;

for all **property damage** to any one premises that occurs while such premises is rented to you or temporarily occupied by you with the permission of the owner.

Reference Copy

Limits Of Insurance

Damage To Premises Rented To You Limit (continued)

Any such sum we pay will reduce the amount of the Damage To Premises Rented To You Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

Medical Expenses Each Person Limit

Subject to the Each Occurrence Premises/Operations Limit or the Each Occurrence Products-Completed Operations Limit (as applicable) and all other applicable limits set forth in this section of this contract, the Medical Expenses Each Person Limit is the most we will pay for the sum of all **medical expenses** and other amounts described as reducing the Limits Of Insurance (see the provision titled Payments That Reduce The Limits Of Insurance) under Medical Expenses Coverage for all **bodily injury** sustained by any one person.

Any such sum we pay will reduce the amount of the Medical Expenses Each Person Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

Payments That Reduce The Limits Of Insurance

Any payments we make for any of the following will reduce the Limits Of Insurance:

- **claimant costs.**
- costs or expenses for **cleanup.**
- damages.
- **medical expenses.**

Payments we make under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract will not reduce the Limits Of Insurance.

Bodily Injury/Property Damage Exclusions

None of the exclusions in this section, except the specific exclusions shown below, apply to **property damage** to a premises while rented to you or temporarily occupied by you with the permission of the owner.

- “Contracts - Bodily Injury or Property Damage.”
- “Crime, Dishonesty, Fraud Or Malice - Hazardous Substances/Pollution Liability Coverage-Time Element Basis.”
- “Damage To Closed Facilities, Alienated Premises, Underground Facilities Or Waste Facilities - Hazardous Substances/Pollution Liability Coverage-Time Element Basis.”
- “Damage To Owned, Occupied Or Rented Property - Hazardous Substances/Pollution Liability Coverage-Time Element Basis.”
- “Expected Or Intended - Bodily Injury Or Property Damage.”

Aircraft, Autos Or Watercraft

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any:

- aircraft;
- **auto**; or
- watercraft;

owned or operated by or loaned or rented to any **insured**.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Bodily Injury/Property Damage Exclusions

Aircraft, Autos Or Watercraft (continued)

This exclusion does not apply to:

- A. a watercraft while ashore on premises owned by or rented to you.
- B. a watercraft you do not own, provided that it:
 - 1. is less than 55 feet long; and
 - 2. does not transport persons or cargo for a charge.
- C. the parking of an **auto** on premises owned by or rented to you, provided the **auto** is not owned by or loaned or rented to you or the **insured**.
- D. the liability for damages assumed in an **insured contract** resulting from the ownership, maintenance or use, by others, of an aircraft or watercraft.
- E. the operation of the equipment described in subparagraphs F.2. or F.3. of the definition of **mobile equipment**.
- F. an aircraft you do not own, provided that:
 - 1. the pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
 - 2. it is rented with a trained, paid crew; and
 - 3. it does not transport persons or cargo for a charge.

Alcoholic Beverage Type Business

This insurance does not apply to **bodily injury** or **property damage** for which any **insured** may be held liable by reason of:

- causing or contributing to the intoxication of any person;
- furnishing alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Contracts – Bodily Injury Or Property Damage

This insurance does not apply to **bodily injury** or **property damage** for which the **insured** is obligated to pay damages by reason of assumption of liability in a contract or agreement.

This exclusion does not apply to the liability for damages for **bodily injury** or **property damage** to which this insurance applies:

- that such **insured** would have in the absence of such contract or agreement; or
 - assumed in an oral or written contract or agreement that is an **insured contract**, provided the **bodily injury** or **property damage** occurs after the execution of such contract or agreement.
-

Reference Copy

**Bodily Injury/Property
Damage Exclusions**
(continued)

*Crime, Dishonesty,
Fraud Or Malice –
Hazardous Substances/
Pollution Liability
Coverage–Time Element
Basis*

With respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis, this insurance does not apply to **bodily injury** or **property damage** arising out of any criminal, dishonest, fraudulent or malicious conduct:

- committed by the **insured**;
- committed with the consent or knowledge of the **insured**; or
- that would have been known from the standpoint of a reasonable person in the circumstances of the **insured**.

*Damage To Alienated
Premises*

This insurance does not apply to **property damage** to any premises you sell, give away or abandon, if the **property damage** arises out of any part of those premises.

This exclusion does not apply if the premises are **your work** and were never occupied, rented or held for rental by you.

*Damage To Closed
Facilities, Alienated
Premises, Underground
Facilities Or Waste
Facilities – Hazardous
Substances/Pollution
Liability Coverage–Time
Element Basis*

With respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis, this insurance does not apply to **bodily injury** or **property damage** arising out of any actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **hazardous substances** or **pollutants** on, at or from any:

- A. **closed facility**;
- B. premises, site or location any **insured** sells, gives away or abandons;
- C. **underground facility**; or
- D. **waste facility**.

Subparagraph A. above does not apply to an **occurrence**, to which this coverage applies, that commenced before the termination or suspension of the routine and usual conduct of the **insured**'s business at such a premises, site or location.

Subparagraph B. above does not apply to an **occurrence**, to which this coverage applies, that commenced before the sale, giving away or abandonment of such a premises, site or location.

Subparagraph D. above does not apply to an **occurrence**, to which this coverage applies, that commenced while such a premises, site or location was owned or operated by you.

*Damage To Impaired
Property Or Property Not
Physically Injured*

This insurance does not apply to **property damage** to:

- **impaired property**; or
 - property that has not been physically injured;
- arising out of any:
- defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or
 - delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms and conditions.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Bodily Injury/Property Damage Exclusions

Damage To Impaired Property Or Property Not Physically Injured (continued)

With respect to Products-Completed Operations Liability Coverage only, this exclusion does not apply to the loss of use of other tangible property resulting from sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

Damage To Owned Property

This insurance does not apply to **property damage** to any property owned by you.

Damage To Owned, Occupied Or Rented Property – Hazardous Substances/Pollution Liability Coverage–Time Element Basis

With respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis, this insurance does not apply to **property damage** to any premises, site or location that is or was at any time:

- A. owned by any **insured**; or
- B. occupied or borrowed by or hired, leased, loaned or rented to any **insured**.

Subparagraph B. above does not apply to **property damage** to a premises that occurs while such premises is rented to you or temporarily occupied by you with the permission of the owner.

Damage To Various Property Of Others (Care, Control Or Custody)

This insurance does not apply to **property damage** to any:

- personal property loaned or rented to you.
- property held by you or on your behalf for sale or entrusted to you for safekeeping or storage.
- property on your premises for purposes of performing operations on such property by you or on your behalf.
- equipment or tools used by you or on your behalf in performing operations.
- property in your care, control or custody that will be erected, installed or used in construction operations by you or on your behalf.

This exclusion does not apply to the liability for damages assumed in a sidetrack agreement.

Damage To Your Product, Your Work Or Related Property

This insurance does not apply to **property damage** to:

- A. **your product**, if arising out of it or any part of it;
- B. **your work**, if arising out of it or any part of it;
- C. that particular part of any real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if such **property damage** arises out of those operations; or
- D. that particular part of any property which must be repaired, replaced or restored because **your work** was incorrectly performed on it.

With respect to Products-Completed Operations Liability Coverage only, subparagraph B. above does not apply if the damaged work or the work causing the damage was performed on your behalf by a subcontractor.

Reference Copy

Bodily Injury/Property Damage Exclusions

*Damage To Your
Product, Your Work Or
Related Property
(continued)*

Subparagraphs C. and D. above apply only to Hazardous Substances/Pollution Liability Coverage—
Time Element Basis.

Employer's Liability

- A. This insurance does not apply to **bodily injury** to an **employee** of the **insured** arising out of and in the course of:
1. employment by the **insured**; or
 2. performing duties related to the conduct of the **insured's** business.

- B. This insurance does not apply to **bodily injury** to the spouse, child, parent, brother or sister of such **employee** as a consequence of any injury described in paragraph A. above.

Voluntary participation in a **human clinical trial** will not be deemed to be within the course of employment or performance of duties as described in paragraph A. above.

This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity; and
- to any obligation to share any damages, loss, cost or expense with or repay someone else who must pay any damages, loss, cost or expense because of any injury described in paragraphs A. or B. above.

This exclusion does not apply to the liability for damages assumed by the **insured** in an **insured contract**.

Expected Or Intended - Bodily Injury Or Property Damage

This insurance does not apply to **bodily injury** or **property damage** arising out of any act or failure to act:

- intended by the **insured**; or
- that would be expected from the standpoint of a reasonable person in the circumstances of the **insured**;

to cause injury or damage, even if the actual injury or damage is of a different degree or type than expected or intended.

This exclusion does not apply to the liability for damages for **bodily injury** or **property damage** that results from the use of reasonable force to protect persons or tangible property.

With respect to Products-Completed Operations Liability Coverage only, this exclusion does not apply to the liability for damages for **bodily injury** that results from:

- A. reasonable use of a **life science product** within or upon research subjects during a **human clinical trial** to which this insurance applies.
- B. a procedure or service to:
1. remove **your product** from; or
 2. repair or replace **your product** which has been put inside;
- a person's body, if:
- such product is a **medical device** that has caused **bodily injury** to such person before such procedure or service; and

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Bodily Injury/Property Damage Exclusions

*Expected Or Intended -
Bodily Injury Or Property
Damage
(continued)*

- such removal, repair or replacement is necessary to prevent a change, continuation or resumption of such **bodily injury** to such person.

*Mobile Equipment
Transportation*

This insurance does not apply to **bodily injury** or **property damage** arising out of any transportation of **mobile equipment** by an **auto** owned or operated by or loaned or rented to any **insured**.

Advertising Injury/ Personal Injury Exclusions

Breach Of Contract

This insurance does not apply to **advertising injury** or **personal injury** arising out of breach of contract.

Continuing Offenses

This insurance does not apply to **advertising injury** or **personal injury** arising out of any continuation or resumption of any offense after the later of the end of the policy period of:

- A. this insurance; or
- B. a subsequent, continuous renewal or replacement of this insurance:
 - 1. that is issued to you by us or by an affiliate of ours; and
 - 2. which would otherwise apply to such offense.

*Contracts – Advertising
Injury Or Personal Injury*

This insurance does not apply to **advertising injury** or **personal injury** for which the **insured** is obligated to pay damages by reason of assumption of liability in a contract or agreement.

This exclusion does not apply to the liability for damages for **advertising injury** or **personal injury** to which this insurance applies:

- that such **insured** would have in the absence of such contract or agreement; or
- assumed in a written contract or agreement that is an **insured contract**, provided the **advertising injury** or **personal injury** is caused by an offense first committed after the execution of such contract or agreement.

*Crime, Dishonesty,
Fraud Or Malice –
Advertising Injury Or
Personal Injury*

This insurance does not apply to **advertising injury** or **personal injury** arising out of any criminal, dishonest, fraudulent or malicious conduct:

- committed by the **insured**;
- committed with the consent or knowledge of the **insured**; or

Reference Copy

Advertising Injury/ Personal Injury Exclusions

*Crime, Dishonesty,
Fraud Or Malice –
Advertising Injury Or
Personal Injury
(continued)*

- that would have been known from the standpoint of a reasonable person in the circumstances of the **insured**.

*Expected Or Intended -
Advertising Injury Or
Personal Injury*

- This insurance does not apply to **advertising injury** or **personal injury** arising out of any act or failure to act:
- intended by the **insured**; or
 - that would be expected from the standpoint of a reasonable person in the circumstances of the **insured**;
- to cause injury, even if the actual injury is of a different degree or type than expected or intended.

*Failure To Conform To
Representations Or
Warranties*

This insurance does not apply to **advertising injury** or **personal injury** arising out of the failure of goods, products or services to conform with any electronic, oral, written or other representation or warranty of durability, fitness, performance, quality or use.

Internet Activities

- This insurance does not apply to **advertising injury** or **personal injury** arising out of:
- controlling, creating, designing or developing of another's Internet site;
 - controlling, creating, designing, developing, determining or providing the content or material of another's Internet site;
 - controlling, facilitating or providing, or failing to control, facilitate or provide, access to the Internet or another's Internet site; or
 - publication of content or material on or from the Internet, other than material developed by you or at your direction.

Media Type Businesses

This insurance does not apply to **advertising injury** or **personal injury** arising out of an offense committed by or on behalf of an **insured** whose business is advertising, broadcasting, cablecasting, publishing, telecasting or telemarketing.

This exclusion does not apply to **personal injury** caused by an offense described in subparagraphs A., B. or C. of the definition of **personal injury**.

*Publications With
Knowledge Of Falsity*

- This insurance does not apply to **advertising injury** or **personal injury** arising out of any electronic, oral, written or other publication of content or material by or with the consent of the **insured**:
- with knowledge of its falsity; or
 - if a reasonable person in the circumstances of such **insured** would have known such content or material to be false.
-

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Advertising Injury/ Personal Injury Exclusions (continued)

Wrong Description Of Prices

This insurance does not apply to **advertising injury** or **personal injury** arising out of the wrong description of the price of goods, products or services.

Medical Expenses Exclusions

Injury To Insureds

This insurance does not apply to **medical expenses** arising out of **bodily injury** to any **insured**, except a:

- person who is otherwise your **employee**, if such injury results from voluntary participation in; or
 - volunteer worker, if such injury results from;
- a **human clinical trial** to which this insurance applies.

Workers' Compensation Or Similar Laws – Medical Expenses

This insurance does not apply to **medical expenses** arising out of **bodily injury** to any person, whether or not an **employee** of any **insured**, if benefits for such **bodily injury** are payable or must be provided under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

Policy Exclusions

Abuse Or Molestation

This insurance does not apply to any damages, loss, cost or expense arising out of any:

- A. actual or threatened abuse or molestation by anyone of any person; or
 - B.
 - 1. employment, investigation, retention or supervision; or
 - 2. reporting to or failure to report to the proper authorities;
- of any person for whom any **insured** is or ever was legally responsible and whose conduct would be excluded by subparagraph A. above.

Asbestos

This insurance does not apply to any damages, loss, cost or expense arising out of any actual, alleged or threatened:

- contaminative, pathogenic, toxic or other hazardous properties of **asbestos**.
- demand, order, request or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **asbestos**.

Reference Copy

Policy Exclusions

Asbestos (continued)

claim or proceeding by or on behalf of a governmental authority or others for any damages, loss, cost or expense because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **asbestos**.

Employment – Related Practices

- A. This insurance does not apply to any damages, loss, cost or expense arising out of any injury or damage actually or allegedly sustained at any time by any person, whether or not sustained in the course of employment by any **insured**, arising out of any employment-related act, omission, policy, practice or representation directed at such person, occurring in whole or in part at any time, including any:
1. arrest, detention or imprisonment;
 2. breach of any express or implied covenant;
 3. coercion, criticism, humiliation, prosecution or retaliation;
 4. defamation or disparagement;
 5. demotion, discipline, evaluation or reassignment;
 6. discrimination, harassment or segregation;
 7. a. eviction; or
b. invasion or other violation of any right of occupancy;
 8. failure or refusal to advance, compensate, employ or promote;
 9. invasion or other violation of any right of privacy or publicity;
 10. termination of employment; or
 11. other employment-related act, omission, policy, practice, representation or relationship in connection with any **insured** at any time.
- B. This insurance does not apply to any damages, loss, cost or expense arising out of any injury or damage actually or allegedly sustained at any time by any spouse, child, parent, brother or sister of any person at whom any employment-related act, omission, policy, practice or representation is directed (as described in paragraph A. above), as a consequence of any of the foregoing.
- C. Paragraphs A. and B. above:
1. apply regardless of the capacity in which the **insured** may be liable; and
 2. also apply to any obligation to share any damages, loss, cost or expense with or to repay any person or organization that must pay any damages, loss, cost or expense because of any of the foregoing.

Enhancement, Maintenance Or Prevention Expenses

This insurance does not apply to any cost or expense incurred by any **insured** or others:

- A. for any:
1. enhancement or maintenance of any property; or
 2. prevention of any injury or damage to any person, property or organization.
- B. to comply with any injunction or other equitable relief.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Policy Exclusions

Enhancement, Maintenance Or Prevention Expenses (continued)

With respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis only, subparagraphs A.2 and B. above do not apply to the liability for costs or expenses for **cleanup** for **property damage** to which this coverage applies.

Environmental Laws, Failure To Comply

This insurance does not apply to any damages, loss, cost or expense arising out of any failure to comply with any environmental directive, law, order, ordinance, regulation or statute, if such failure is a deliberate or willful act or omission by or on behalf of the **insured**.

Healthcare Or Specific Professional Services

This insurance does not apply to any damages, loss, cost or expense arising out of any rendering of or failure to render any:

- **healthcare service**; or
- **specific professional services**

This exclusion applies regardless of whether or not such service, advice or instruction is ordinary to any **insured**'s profession and regardless of whether or not a claim is made or **suit** is brought by any client or by any other person or organization.

With respect to the rendering of or failure to render a **healthcare service** only, this exclusion does not apply to:

- **bodily injury** caused by a defect, deficiency, inadequacy or dangerous condition in **your product** to which this insurance applies;
- **bodily injury** resulting from the service provided within the scope of and in accordance with the applicable written protocol of a **human clinical trial**, in connection with a **human clinical trial** to which this insurance applies;
- **bodily injury** caused by cardiopulmonary resuscitation or other first aid services; or
- Medical Expenses Coverage.

Intellectual Property Laws Or Rights

- A. This insurance does not apply to any damages, loss, cost or expense arising out of, giving rise to or in any way related to any actual, alleged or threatened:
1. assertion; or
 2. infringement or violation;
- by any person or organization (including any **insured**) of any **intellectual property law or right**.
- B. Further, this insurance does not apply to the entirety of all allegations in any claim or **suit**, if such claim or **suit** includes an allegation of or a reference to an infringement or violation of an **intellectual property law or right**, even if this insurance would otherwise apply to any part of the allegations in the claim or **suit**.
- C. This exclusion applies unless the only infringement or violation of an **intellectual property law or right** is an offense described in the definition of **advertising injury** to which this insurance applies.

Reference Copy

Policy Exclusions

(continued)

Nuclear Energy

This insurance does not apply to any damages, loss, cost or expense:

- A. with respect to which any **insured** under this policy also has status as an insured (or is entitled to indemnity) under a nuclear energy liability policy issued by:
 - 1. American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, Nuclear Insurance Association of Canada or any of their antecedents or successors; or
 - 2. any similar insurer anywhere in the world;or would have had status as an insured or would have been entitled to indemnity under any such policy but for its termination upon exhaustion of its limit of insurance.
- B. arising out of the **nuclear hazardous properties** of **nuclear or radioactive material** and with respect to which any:
 - 1. person or organization is required to maintain financial protection pursuant to the United States of America Atomic Energy Act of 1954 or any law amendatory thereof or any similar law in any jurisdiction; or
 - 2. **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America or any agency thereof or any other governmental authority in any jurisdiction under any agreement entered into by such governmental authority with any person or organization.
- C. arising out of the **nuclear hazardous properties** of **nuclear or radioactive material**:
 - 1. if the **nuclear or radioactive material**:
 - a. is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;
 - b. has been discharged or dispersed therefrom; or
 - c. is contained in **nuclear spent fuel** or **nuclear waste** at any time disposed of, handled, possessed, processed, stored, transported, treated or used by or on behalf of any **insured**; or
 - 2. in any way related to the furnishing by any **insured** of equipment, materials, parts or services in connection with the construction, maintenance, operation, planning or use of any **nuclear facility**.

But, if such facility is located within the United States of America (including its possessions or territories) or Canada, this subparagraph C.2 applies only to **property damage** to such **nuclear facility** and any property thereat.

As used in connection with this exclusion, **property damage** includes all forms of radioactive contamination of property.

Pollution

- A. This insurance does not apply to any damages, loss, cost or expense arising out of any actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:
 - 1. at or from any premises, site or location which is or was at any time owned or occupied by, or loaned or rented to, any **insured**.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Policy Exclusions

Pollution (continued)

2. at or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of **waste**.
3. which are or were at any time transported, handled, stored, disposed of, processed or treated as **waste** by or for any:
 - a. **insured**; or
 - b. person or organization for whom any **insured** may be legally responsible.
4. at or from any premises, site or location on which any **insured** or any contractor or subcontractor working directly or indirectly on any **insured's** behalf is performing operations, if the:
 - a. **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor; or
 - b. operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

Subparagraph A.4.a. above does not apply to **bodily injury** or **property damage** caused by the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of **mobile equipment** or its parts, if such operating fluids escape directly from that particular part of such **mobile equipment** designed by its manufacturer to hold, store or receive them. But, this exception does not apply if such **bodily injury** or **property damage** arises out of any discharge, dispersal, seepage, migration, release or escape of **pollutants**, that:

- was intended by the **insured**.
- would have been expected from the standpoint of a reasonable person in the circumstances of the **insured**.
- was a necessary part of operations performed by any **insured**, contractor or subcontractor.
- occurred during the process of fueling the **mobile equipment** or changing or replenishing any operating fluid.

Subparagraph A.4.a. above does not apply to **bodily injury** or **property damage** if sustained within a building and caused by the release of gaseous irritants or contaminants from materials brought into that building, in connection with the operations being performed by you or on your behalf by the contractor or subcontractor.

Subparagraph A.1. above does not apply to **bodily injury** if sustained within a building and caused by the escape of gaseous irritants or contaminants from equipment used to heat, cool or dehumidify such building.

Subparagraphs A.1. and A.4.a. above do not apply to **bodily injury** or **property damage** caused by heat, smoke or fumes from a **hostile fire**.

- B. This insurance does not apply to any damages, loss, cost or expense arising out of any actual, alleged or threatened:
 1. demand, order, request or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

Reference Copy

Policy Exclusions

Pollution (continued)

2. claim or proceeding by or on behalf of a governmental authority or others for any damages, loss, cost or expense because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

Paragraph B. above does not apply to the liability for damages, for **property damage**, that the **insured** would have in the absence of such demand, order, request or regulatory or statutory requirement, or such claim or proceeding by or on behalf of a governmental authority.

This exclusion does not apply to the liability for damages, for **property damage** to a premises while rented to you or temporarily occupied by you with the permission of the owner and caused by a **hostile fire**, explosion, smoke or leakage from fire protective equipment.

This exclusion does not apply to the extent that the Hazardous Substances/Pollution Liability Coverage–Time Element Basis applies to the liability for:

- damages for **bodily injury** to which this coverage applies; or
- damages or costs or expenses for **cleanup** for **property damage** to which this coverage applies.

This exclusion applies regardless of whether or not the pollution was accidental, expected, gradual, intended, preventable or sudden.

Recall Of Products, Work Or Impaired Property

- A. This insurance does not apply to any damages, loss, cost or expense incurred by any **insured** or others for any loss of use or any adjustment, withdrawal, recall, inspection, repair, replacement, removal or disposal of:
 1. **your product**;
 2. **your work**; or
 3. **impaired property**;if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.
- B. With respect to Products-Completed Operations Liability Coverage only, this exclusion does not apply to the liability for damages for **bodily injury** that results from a procedure or service to:
 1. remove **your product** from; or
 2. repair or replace **your product** which has been put inside;
a person's body, if:
 - such product is a **medical device** that has caused **bodily injury** to such person before such procedure or service; and
 - such removal, repair or replacement is necessary to prevent a change, continuation or resumption of such **bodily injury** to such person.
- C. Paragraph B. above does not apply (and therefore this insurance does not apply) to the cost of **your product** or any product that replaces **your product**.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Policy Exclusions (continued)

Unapproved Goods Or Products

This insurance does not apply to any damages, loss, cost or expense arising out of the actual, alleged or threatened hazardous properties of any goods or products:

- A. declared unsafe by the applicable governmental or regulatory authority having jurisdiction on the basis of such hazardous properties, regardless of whether or not such goods or products were declared unsafe before or after:
 - 1. the goods or products were disposed of, distributed, handled, manufactured or sold; or
 - 2. such damages, loss, cost or expense were incurred; or
- B. disposed of, distributed, handled, manufactured or sold without approval by the applicable governmental or regulatory authority having jurisdiction.

Subparagraph A. above does not apply to **your product**, to which this insurance applies, if such good or product was disposed of, distributed, handled, manufactured and sold before it was known by you or would have been known from the standpoint of a reasonable person in your circumstances, that the good or product had been declared unsafe.

Unapproved Human Clinical Trials

This insurance does not apply to any damages, loss, cost or expense arising out of any unapproved exposure to material in connection with any **human clinical trial** that happens after:

- a hold has been placed on the trial;
- an Investigational New Drug application, Investigational Device Exception application or similar authorization applicable to the trial has been withdrawn; or
- the trial has been ordered to be discontinued;

by the applicable governmental or regulatory authority having jurisdiction.

Unapproved Off-Label Promotion

- A. This insurance does not apply to any damages, loss, cost or expense arising out of any dissemination of information:
 - 1. by or on behalf of any **insured**; and
 - 2. in connection with any unapproved use of any **life science product**; in violation of any law, regulation or order of any governmental or regulatory authority.
- B. Paragraph A. above does not apply if:
 - 1. you did not intend; or
 - 2. a reasonable person in your circumstances would not have expected; that such information would be used to encourage or promote any such unapproved use.
- C. Notwithstanding paragraph B. above, no person or organization is an **insured** under this insurance if such person or organization recklessly or willfully violated or consented to any violation of law, regulation or order as described in paragraph A. above.

Reference Copy

Policy Exclusions

(continued)

Unauthorized Or Unsolicited Communications

This insurance does not apply to any damages, loss, cost or expense arising out of any actual, alleged or threatened:

- A. communicating, distribution, publication, sending or transmitting of any unauthorized or unsolicited electronic communication to advertise or promote a good, product, service or Internet website;
- B. unauthorized or unsolicited communication with a person or organization through the use of a computer, facsimile machine, telephone or automatic telephone dialing system or other communication device or system; or
- C. violation of any judicial, regulatory or statutory law related to any practice described in subparagraphs A. or B. above.

Workers' Compensation Or Similar Laws

This insurance does not apply to any damages, loss, cost or expense arising out of any obligation of the **insured** under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

Extended Reporting Periods

THE PROVISIONS SET FORTH IN THE EXTENDED REPORTING PERIODS SECTION OF THIS CONTRACT APPLY ONLY TO CLAIMS-MADE COVERAGES.

When Extended Reporting Periods Apply

We agree to provide:

- a Basic Extended Reporting Period; and
- a Supplemental Extended Reporting Period, provided the person or organization first named in the Declarations (first named **insured**) purchases it from us;

but only if:

- A. this insurance (and all its coverages) is canceled or not renewed (for reasons other than nonpayment of premium); or
- B. we renew or replace this insurance (and all its coverages) with insurance that:
 1. has a retroactive date applicable to the first named **insured** later than the Retroactive Date shown in the Declarations of this insurance; or
 2. does not apply on a claims-made basis.

How Extended Reporting Periods Apply

Extended Reporting Periods:

- A. apply only to claims for damages for injury or damage, to which this insurance applies, that are first made against any **insured** during such periods.
- B. do not:
 1. extend the policy period or change the scope of coverage to which this insurance applies.
 2. increase or reinstate the Limits Of Insurance.
 3. apply to any damages, loss, cost or expense covered under any **other insurance**, including any subsequent insurance you purchase.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Extended Reporting Periods

How Extended Reporting Periods Apply (continued)

C. may not be canceled once in effect.

Claims that are first made against any **insured** during an Extended Reporting Period will be deemed to have been made on the last day of the policy period.

Basic Extended Reporting Period

Only one Basic Extended Reporting Period will be available, and it will be shared by all qualifying interests under this policy. No separate Basic Extended Reporting Period will be provided to any specific person or organization.

The Basic Extended Reporting Period begins with the end of the policy period and lasts no longer than:

- A. five years with respect to claims resulting from **circumstances** reported to us not later than 60 days after the end of the policy period.
- B. 60 days with respect to claims resulting from **circumstances** not reported to us in accordance with subparagraph A. above.

Subject to the foregoing, notification must be in writing and addressed to our Claim Department in accordance with the provisions of the Condition titled Duties In The Event Of Occurrence, Offense, Claim Or Suit.

Supplemental Extended Reporting Period

A Supplemental Extended Reporting Period is available, but only by an endorsement, for an additional premium.

No person or organization, other than the first named **insured**, has the right to purchase a Supplemental Extended Reporting Period.

Only one Supplemental Extended Reporting Period will be available, and it will be shared by all qualifying interests under this policy. No separate Supplemental Extended Reporting Period will be provided to any specific person or organization.

If purchased, the Supplemental Extended Reporting Period begins with the end of the Basic Extended Reporting Period and lasts up to an unlimited time.

The first named **insured** must give us a written request to purchase the Supplemental Extended Reporting Period within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless we receive the additional premium on or before the due date.

We will determine the additional premium for the endorsement for the Supplemental Extended Reporting Period in accordance with our rates and rules. The additional premium will not exceed 200 percent of the annualized premium of this policy. The additional premium will be deemed fully earned at the inception of the Supplemental Extended Reporting Period.

The endorsement for the Supplemental Extended Reporting Period will set forth any special terms and conditions, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period.

Reference Copy

Conditions

Adverse Events Reporting

Reporting an **adverse event** to us, another insurer or a governmental or regulatory authority, in itself, does not constitute:

- a conclusion that **your product** caused or contributed to such event.
- an admission or assumption of liability.
- a conclusion that injury or damage was expected or intended.
- a notice as described under the provisions of the Condition titled Duties To Report Circumstances.
- knowledge of a **circumstance** or an injury or damage (whether or not any of the foregoing is a **circumstance**) that would be expected to result in payment under this insurance.

Arbitration

- A. We are entitled to exercise all of the **insured's** rights in the choice of arbitrators and in the conduct of any arbitration proceeding, except when the proceeding is between us and the **insured**.
- B. Further, with respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis:
1. if we and the **insured** do not agree whether coverage is provided, then either party may make a written demand for arbitration.
 2. if such demand is made, then each party will select an arbitrator. The two arbitrators will select a third. If they can not agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will:
 - a. pay the costs or expenses it incurs; and
 - b. bear the costs or expenses of the third arbitrator equally.
 3. unless both parties agree otherwise, such arbitration will take place in the locale in which the Named Insured's Mailing Address shown in the Declarations is located. Arbitration will be governed by the applicable rules of the American Arbitration Association. A decision agreed to by two of the arbitrators will be binding and will be enforceable in the same manner as a final judgment in any court of competent jurisdiction. The arbitrators will have no authority to award any punitive, exemplary or extra-contractual damages, costs or expenses.

Bankruptcy

Bankruptcy or insolvency of the **insured** or of the **insured's** estate will not relieve us of our obligations under this insurance.

Currency

Amounts under this insurance are expressed and payable in United States of America currency.

However, at our discretion, we may make payments in another currency.

In the event of any payment involving another currency, conversion into or from such currency will be computed as follows:

- with respect to payments for judgments or settlements, amounts will be computed at a free rate of exchange as soon as practicable following the date of entry of final judgment or the date of settlement.
- with respect to payments other than payments for judgments or settlements, amounts will be computed at a free rate of exchange as soon as practicable following the date of our agreement to release payment.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Conditions

Currency (continued)

In no event will any conversion into or from another currency result in any increase in the Limits Of Insurance as expressed in United States of America currency.

Disclosure And Representations

We have issued this insurance:

- based upon any representations made to us by you; and
- in reliance upon any such representations.

Unintentional failure of an **employee** of the **insured** to disclose a hazard or other material information will not violate this condition, unless an **officer** (whether or not an **employee**) of any **insured** knows about such hazard or other material information.

Duties In The Event Of Occurrence, Offense, Claim Or Suit

- A. You must see to it that we and any other insurers are notified as soon as practicable of any **occurrence** or offense that may result in a claim, if the claim may involve us or such other insurers. To the extent possible, notice should include:
1. how, when and where the **occurrence** or offense happened;
 2. the names and addresses of any injured persons and witnesses; and
 3. the nature and location of any injury or damage arising out of the **occurrence** or offense.
- Notice of an **occurrence** or offense is not notice of a claim.
- B. If a claim is made or **suit** is brought against any **insured**, you must:
1. immediately record the specifics of the claim or **suit** and the date received;
 2. notify us and other insurers as soon as practicable; and
 3. see to it that we receive written notice of the claim or **suit** as soon as practicable.
- C. You and any other involved **insured** must:
1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 2. authorize us to obtain records and other information;
 3. cooperate with us and other insurers in the:
 - a. investigation or settlement of the claim; or
 - b. defense against the **suit** ; and
 4. assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the **insured** because of loss to which this insurance may also apply.
- D. No **insured** will, except at that **insured**'s own cost, make any payment, assume any obligation or incur any expense, other than for first aid, without our consent.
- E. Any notice to us under this condition must be in writing and addressed to our Claim Department.

Reference Copy

Conditions

Duties In The Event Of Occurrence, Offense, Claim Or Suit (continued)

- F. Knowledge of an **occurrence** or offense by an agent or **employee** of the **insured** will not constitute knowledge by the **insured**, unless an **officer** (whether or not an **employee**) of any **insured** knows about such **occurrence** or offense.
- G. Failure of an agent or **employee** of the **insured**, other than an **officer** (whether or not an **employee**) of any **insured** to notify us of an **occurrence** or offense that such person knows about will not affect the insurance afforded to you.

Paragraphs F. and G. above do not apply to Hazardous Substances/Pollution Liability Coverage-Time Element Basis.

Hazardous Substances/ Pollution Liability–Time Element Basis – Special Duties In The Event Of Occurrence, Claim Or Suit

With respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis, further to the provisions of the Condition titled Duties In The Event Of Occurrence, Offense, Claim Or Suit and in strict conformance with all of the time frames and requirements set forth in the provisions of the Coverage titled Hazardous Substances/Pollution Liability Coverage–Time Element Basis:

- A. you must mail or deliver to us notice, in writing, of any **occurrence**. Notice must be provided in accordance with subparagraphs B. and C. below and must include:
1. the date and time the **occurrence** commenced.
 2. the date and time the **occurrence** was first discovered by an **insured**.
 3. identification of the **insured** that first discovered the **occurrence**.
 4. where the **occurrence** took place, including identification of the containers, media or systems from which the **hazardous substances** or **pollutants** were discharged or released, or escaped.
 5. identification, including the approximate quantity and quality, of the **hazardous substances** or **pollutants** involved.
 6. the cause of the **occurrence**.
 7. the nature of any injury, damage or **cleanup**.
- B. notice of all **occurrences**, claims or **suits** in connection with Hazardous Substances/Pollution Liability Coverage–Time Element Basis must be mailed or delivered to us, in writing, in care of:
- Chubb & Son
A division of Federal Insurance Company
Claim Department
Environmental Claim Manager
15 Mountain View Road
Warren, NJ 07059
U.S.A.
- C. if such notice is mailed:
1. it must be mailed via an express mail service that maintains a written register of the date and time mail is deposited with them;
 2. it will be deemed to have been mailed to us on the date and at the time shown in the register of such mail service as the date and time you deposited such notice with them for delivery to us; and
 3. we will only accept a copy of the register prepared, maintained and certified by such mail service as proof of when you mailed such notice to us.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Conditions (continued)

Duties To Report Circumstances

THE FOLLOWING PROVISIONS APPLY ONLY TO CLAIMS-MADE COVERAGES.

- A. If, before the end of the policy period, the person or organization first named in the Declarations (first named **insured**) becomes aware of a **circumstance** that would reasonably be expected to result in any payment under this insurance, then a claim for damages that correlates with such **circumstance** will be deemed to have been made against any **insured** during the policy period, provided:
1. the first named **insured** sees to it that we receive written notice of such **circumstance** as soon as practicable and during the policy period; and
 2. such claim is first made against any **insured** before the later of the end of:
 - a. the policy period of this insurance;
 - b. the policy period of a subsequent, continuous renewal or replacement of this insurance that is issued to the first named **insured** by us or by an affiliate of ours; or
 - c. any extended reporting period provided or purchased under the insurance described in subparagraphs A.2.a. or A.2.b. above.

Subject to the foregoing, notification must be in writing and addressed to our Claim Department in accordance with the provisions of the Condition titled Duties In The Event Of Occurrence, Offense, Claim Or Suit.

- B. Coverage hereunder:
1. applies only to claims for damages for injury or damage, to which this insurance applies, that are first made against any **insured** during the applicable period described in subparagraph A.2. above.
 2. does not:
 - a. extend the policy period or increase the scope of coverage to which this insurance applies.
 - b. increase or reinstate the Limits Of Insurance.
 - c. apply to any damages, loss, cost or expense covered under any **other insurance**, including any subsequent insurance you purchase.
- C. For the purposes of this condition, if a written notice of a **circumstance** is received and recorded by us not more than 60 days after the end of the policy period, then such notice will be deemed to have been received by us during the policy period.

First Named Insured – Special Provisions

In addition to the obligations of the person or organization first named in the Declarations (first named **insured**), as set forth in the Common Policy Conditions or any other provision of this policy, the following provisions apply.

- A. The first named **insured** is primarily responsible:
1. to act on behalf of any person or organization (other than us) having rights or duties under this policy.
 2. for all communications between any such person or organization and us.

Reference Copy

Conditions

First Named Insured – Special Provisions (continued)

- B. Such communications include those in connection with:
1. any application for this insurance.
 2. any addition to, deletion of or other change in the terms or conditions of this insurance.
 3. the provisions of the Condition titled Duties In The Event Of Occurrence, Offense, Claim Or Suit or similar provisions of this contract.
 4. the provisions of the Condition titled Duties To Report Circumstances.
 5. the Extended Reporting Periods section of this contract.
- C. Our communications under this policy will be principally through the first named **insured**. The inclusion of any other **insured** or other interest under this insurance will not obligate us to provide any notice or other specific information to any such interest.
- D. We have no obligation to apportion or provide any claim, premium or other information separately among or to any specific **insured** or other interest under this insurance.

Legal Action Against Us

No person or organization has a right under this insurance to:

- join us as a party or otherwise bring us into a **suit** seeking damages from an **insured**; or
- sue us on this insurance unless all of the terms and conditions of this insurance have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after an actual:

- trial in a civil proceeding; or
- arbitration or other alternative dispute resolution proceeding;

but we will not be liable for damages that are not payable under the terms and conditions of this insurance or that are in excess of the applicable Limits Of Insurance.

Other Insurance

If valid and collectible **other insurance** is available to any **insured** or other qualifying interest (under this insurance) for loss we would otherwise cover under this insurance, then our obligations are limited as follows.

Primary Insurance

This insurance is primary, except to the extent that the Excess Insurance provision described below applies.

If this insurance is primary, then our obligations are not affected unless any of the **other insurance** is also primary. Then, we will share with all that **other insurance** by the method described in the Method of Sharing provision below.

However, if you are obligated pursuant to a written contract or agreement to provide a person or organization that is included in the Who Is An Insured section of this contract with primary insurance such as is afforded by this policy, then this insurance is primary and we will not seek contribution from insurance available to such person or organization.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Conditions

Other Insurance (continued)

Excess Insurance

- A. This insurance is excess over any **other insurance** (whether primary, excess, contingent or on any other basis), including any other insurer's antecedent or replacement of this insurance or any such **other insurance**:
1. that is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar insurance for **your work**.
 2. that applies to **property damage** to a premises rented to you or occupied by you.
 3. that applies to **property damage** to property of others.
 4. if the loss arises out of aircraft, **autos** or watercraft.
 5. if the loss arises out of **hazardous substances, pollutants** or pollution.
 6. if the loss arises out of any rendering of or failure to render any professional service, advice or instruction.
 7. that applies to **advertising injury** or **personal injury**.
 8. under which any **insured** or other qualifying interest (under this insurance) is included as an insured or other qualifying interest under such **other insurance**.
 9. under any Property section of this policy.
 10. that applies to injury or damage that occurs, in whole or in part, after the end of the policy period shown in the Declarations of this insurance.
 11. that is effective before the beginning of the policy period shown in the Declarations of this insurance and applies on other than a claims-made basis, if:
 - a. no Retroactive Date is shown in the Declarations of this insurance; or
 - b. the **other insurance** has a policy period which continues after the Retroactive Date shown in the Declarations of this insurance.
 12. that is effective on or after the beginning of any Extended Reporting Period provided by us or by an affiliate of ours.
- B. When this insurance is excess, we will:
1. have no duty to defend the **insured** against any **suit** if any insurer that provides **other insurance** has a duty to defend such **insured** against such **suit**. If no other insurer defends, then we will undertake to do so; but we will be entitled to the **insured's** rights against all those other insurers.
 2. pay only our share of the amount of loss, if any, that exceeds the sum of the total amounts:
 - a. that all **other insurance** would pay for loss in the absence of this insurance, including under any available:
 - i. discovery period or extended reporting period; and
 - ii. reinstatement of limits or supplemental or other limits; and
 - b. of all deductible, participation, retention and other self-insured amounts (including any amounts allocated to and required to be paid by the **insured**) in connection with all **other insurance**.

Reference Copy

Conditions

Other Insurance (continued)

- C. We will share the remaining loss, if any, with any **other insurance** that is not described in this Excess Insurance provision and was not negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Method Of Sharing

If all of the **other insurance** permits contribution by equal shares, then we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable limits of insurance or none of the loss remains, whichever comes first.

If any of the **other insurance** does not permit contribution by equal shares, then we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

Premium Audit

We will compute all premiums for this insurance in accordance with our rules and rates. We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

Separation Of Insureds

Except with respect to the Limits Of Insurance, and any rights or duties specifically assigned in this insurance to the person or organization first named in the Declarations (first named **insured**), this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or **suit** is brought.

Transfer Or Waiver Of Rights Of Recovery Against Others

We will waive the right of recovery we would otherwise have had against another person or organization, for loss to which this insurance applies, provided the **insured** has waived their rights of recovery against such person or organization in a contract or agreement that is executed before such loss.

To the extent that the **insured's** rights to recover all or part of any payment made under this insurance have not been waived, 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.

Your Right To Claim Information

We will provide the person or organization first named **insured** in the Declarations (first named **insured**) the following information relating to this and any preceding coverage we have issued to you during the previous three years:

- a list or other record of each **occurrence** or offense, not previously reported to any other insurer, of which we were notified in accordance with the provisions of the Condition titled Duties In The Event Of Occurrence, Offense, Claim Or Suit. We will include the date and brief description of the **occurrence** or offense if that information was in the notice we received.
- a summary by policy year, of payments made and amounts reserved, stated separately, under any applicable aggregate limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values. You must not disclose this information to any claimant or any claimant's representative without our consent.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Conditions

Your Right To Claim Information (continued)

We will provide this information only if we receive a written request from the first named **insured** within 60 days after the end of the policy period. Then, we will provide this information within 45 days of receipt of the request.

We compile claim information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first named **insured**, we make no representations or warranties to any **insured**, insurer or others to whom this information is furnished by or on behalf of any **insured**. Cancellation or nonrenewal will be effective even if we inadvertently provide inaccurate information.

Reference Copy

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Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Adverse Events

Adverse event includes any:

- A. outcome of the following types, regardless of whether or not such outcome is expected or intended:
 - 1. congenital anomaly or birth defect;
 - 2. death;
 - 3. disability or incapacity;
 - 4. hospitalization; or
 - 5. life threatening disease, injury or sickness;of any person.
- B. intervention to prevent any outcome described in subparagraph A. above.
- C. malfunction of **your product** that may give rise to any outcome described in subparagraphs A. or B. above.
- D. condition that may give rise to any outcome described in subparagraphs A., B. or C. above, requiring notification to a governmental or regulatory authority.

Advertisement

Advertisement:

- means an electronic, oral, written or other notice, about goods, products or services, designed for the specific purpose of attracting the general public or a specific market segment to use such goods, products or services.
- does not include any e-mail address, Internet domain name or other electronic address or metalanguage.

Advertising Injury

Advertising injury means injury, other than **bodily injury, property damage or personal injury**, sustained by a person or organization and caused by an offense of infringing, in that particular part of your **advertisement** about your goods, products or services, upon their:

- copyrighted **advertisement**; or
- registered collective mark, registered service mark or other registered trademarked name, slogan, symbol or title.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Asbestos

Asbestos means asbestos in any form, including its presence or use in any alloy, by-product, compound or other material or **waste**.

Reference Copy

Definitions

(continued)

Auto

Auto:

- means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
- does not include **mobile equipment**.

Biological Agents

Biological agents means any:

- A.
 - 1. bacteria;
 - 2. mildew, mold or other fungi;
 - 3. other microorganisms; or
 - 4. mycotoxins, spores or other by-products of any of the foregoing;
- B. viruses or other pathogens (whether or not a microorganism); or
- C. colony or group of any of the foregoing.

Bodily Injury

Bodily injury means physical:

- injury;
- sickness; or
- disease;

sustained by a person, including resulting death, humiliation, mental anguish, mental injury or shock at any time. All such loss will be deemed to occur at the time of the physical injury, sickness or disease that caused it.

Circumstance

Circumstance means facts as established by direct evidence that would reasonably be expected to result in any claim or **suit**, including:

- adjustment, disposal, inspection, recall, removal, repair, replacement or suspension or withdrawal from use, whether voluntary or otherwise, of **your product** or any good or product that incorporates **your product**.
 - governmental or regulatory investigation related to a **human clinical trial, your product or your work**.
 - investigation by any governmental or regulatory authority of any **human clinical trial contractor** or other person or organization responsible for the conduct of a **human clinical trial**.
 - notification by any governmental or regulatory authority, consumer, contractor or other person or organization of a known or suspected defect, deficiency, inadequacy or dangerous condition in **your product or your work**.
 - physical injury to or loss of use of any facility that impairs the ability to conduct a **human clinical trial** or to manufacture, sell, handle, distribute or dispose of **your product** or to perform **your work**.
 - suspension or termination of a **human clinical trial** for any reason.
-

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions

(continued)

Claim Adjustment Expenses

Claim adjustment expenses:

A. means:

1. reasonable attorney and paralegal fees and expenses (including those of attorneys and paralegals that are our **employees**).
2. reasonable expenses relating to a **suit** to which this insurance applies, including the cost of court reporters, depositions, expert witnesses, research reports and transcripts.
3. the cost of:
 - a. bail bonds; or
 - b. bonds required to:
 - i. appeal judgments; or
 - ii. release attachments;

but only for:

- bonds in connection with a **suit** to which this insurance applies; and
- bond amounts within the available Limits Of Insurance.

We do not have to furnish these bonds.

4. court costs taxed against the **insured** in a **suit** to which this insurance applies.
5. the reasonable cost and expense of any investigation that we undertake at our discretion after receiving notice from you or any other person or organization, regardless of whether such notice constitutes a claim or **suit**.
6. other reasonable expenses that we allocate to a specific claim or **suit**.

B. does not include:

1. any **claimant costs**.
2.
 - a. any attorney or paralegal fees or expenses or litigation expenses; or
 - b. any other loss, cost or expense;in connection with any claim or **suit** for injunctive or other equitable relief brought against any **insured** or other qualifying interest under this insurance.
3. any fine or other penalty.
4. the salaries or expenses of our **employees** (other than those described in subparagraph A.1. above) or any salaries or expenses of any **insured's employees** or directors, managers, members, **officers**, partners or workers (whether or not any of the foregoing is an **employee**).

With respect to Hazardous Substances Pollution Liability Coverage—Time Element Basis only, subparagraph B.2.a. above does not apply in connection with **property damage** to which such coverage applies.

Reference Copy

Definitions

(continued)

Claimant Costs

Claimant costs means attorney fees and litigation expenses incurred by a claimant relating to a **suit** to which this insurance applies.

Cleanup

Cleanup means neutralization or removal of the injurious presence of **hazardous substances** or **pollutants** to the extent required by environmental directive, law, order, ordinance, regulation or statute of any governmental authority.

Closed Facility

Closed facility means any premises, site or location at which the routine or usual conduct of business has been suspended or terminated.

Cosmetic

Cosmetic means an article that is intended to be applied to the human body for altering appearance, beautifying, cleansing or promoting attractiveness.

Deemed Known

Deemed known means:

- with respect to a specific person, known by or that would have been known from the standpoint of a reasonable person in the circumstances of such person; or
- with respect to a specific organization, known by or that would have been known from the standpoint of a reasonable person in the circumstances of any of such organization's directors, managers (if a limited liability company), members (if a partnership, joint venture or limited liability company), **officers** or partners (whether or not any of the foregoing is an **employee**).

A **circumstance** or injury, damage, claim or **suit** (whether or not any of the foregoing is a **circumstance**) will be **deemed known** at the earliest time when any such person described above:

- A. reports the **circumstance**, injury, damage, claim or **suit**, in whole or in part, to us or any other insurer;
- B. receives a claim or **suit** in connection with the **circumstance**, injury or damage; or
- C. becomes aware or would have been aware:
 1. that the **circumstance**, injury or damage, in whole or in part, has happened or has begun; or
 2. of any actual, alleged or threatened injury, damage, claim or **suit** in connection with the **circumstance**.

Deemed known does not include a report in connection with an **adverse event** as described under the provisions of the Condition titled Adverse Events Reporting.

Dietary Supplement

Dietary supplement means a good or product, other than conventional food, that is or includes:

- an amino acid, herb or other botanical, mineral, vitamin or similar substance; or
- a combination, concentrate, constituent, extract or metabolite of the substances described above;

which is intended to supplement the diet of human beings.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions (continued)

Drug

Drug means a biologic or synthetic article, other than conventional food, that is intended to achieve a chemical action upon or within the human body:

- for use in the cure, diagnosis, mitigation, prevention or treatment of disease, injury or sickness in human beings;
- to affect any function or structure of the human body; or
- which is recognized as such in the official *Homeopathic Pharmacopoeia* or *United States Pharmacopoeia - National Formulary*.

Employee

Employee:

- includes a **leased worker**.
- does not include a **temporary worker**.

Hazardous Substances

Hazardous substances means contaminative, pathogenic or toxic substances, including:

- **biological agents**; or
- **nuclear or radioactive material**;

whether or not any of the foregoing is a **pollutant**.

Healthcare Service

Healthcare service means any:

- cosmetic service, advice, instruction or treatment;
- dental, medical, nursing, physiotherapy, surgical or x-ray service, advice, instruction or treatment;
- handling or treatment of dead bodies, including autopsies, organ donations or other procedures;
- health or therapeutic service, advice, instruction or treatment; or
- related dispensing or furnishing of any beverages or food, or any **life science product** or other dental, medical or surgical appliances or supplies.

Hostile Fire

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

Reference Copy

Definitions

(continued)

Human Clinical Trial

Human clinical trial:

- A. means testing of material upon or within human beings to establish the effectiveness or safety of such material.
- B. includes:
 - 1. the providing of the information necessary to obtain the informed consent of human beings to participate in such testing; and
 - 2. other activities in connection with the testing.

Human Clinical Trial Contractor

Human clinical trial contractor means a person or organization engaged to provide service, advice or instruction in connection with:

- A.
 - 1. clinical;
 - 2. laboratory; or
 - 3. research;testing activities, within the scope of and in accordance with the applicable written protocol; or
 - B. the planning, monitoring or review;
- of a **human clinical trial**.

Impaired Property

Impaired property means property, other than **your product** or **your work**, that cannot be used or is less useful because:

- it incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
- you have failed to fulfill the terms or conditions of a contract or agreement;

if such property can be restored to use by:

- the adjustment, removal, repair or replacement of **your product** or **your work**; or
- your fulfilling the terms or conditions of the contract or agreement.

Information And Network Technology Product

Information and network technology product means:

- A. communication, computer, data security, electronic, information, Internet, network or website:
 - 1. equipment or parts; or
 - 2. programs or systems; and
- B. software, data or other information that is in electronic form.

Information And Network Technology Service

Information and network technology service means analysis, data security, design, integration, maintenance, management, processing, programming, repair or support services in connection with an **information and network technology product**.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions *(continued)*

Insured

Insured means a person or an organization qualifying as an **insured** in the Who Is An Insured section of this contract.

Insured Contract

Insured contract:

- A. means:
1. a lease of premises;
 2. a sidetrack agreement;
 3. an easement or license agreement;
 4. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 5. an elevator maintenance agreement; or
 6. any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for such municipality) in which you assume the tort liability of another person or organization to pay damages for injury or damage, to which this insurance applies, sustained by a third person or organization.
- B. does not include that part of any contract or agreement which indemnifies an architect, engineer or surveyor for damages arising out of:
1. preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, field orders, change orders, designs or specifications; or
 2. giving directions or instructions, or failing to give them.

Intellectual Property Law Or Right

Intellectual property law or right means any:

- certification mark, copyright, patent or trademark (including collective or service marks);
 - right to, or judicial or statutory law recognizing an interest in, any trade secret or confidential or proprietary non-personal information;
 - other right to, or judicial or statutory law recognizing an interest in, any expression, idea, likeness, name, slogan, style of doing business, symbol, title, trade dress or other intellectual property; or
 - other judicial or statutory law concerning piracy, passing off or similar practices.
-

Reference Copy

Definitions

(continued)

Leased Worker

Leased worker:

- means a person leased to a party by a labor leasing firm, in a contract or agreement between such party and the labor leasing firm, to perform duties related to the conduct of the party's business.
- does not include a **temporary worker**.

Life Science Product

Life science product means a **cosmetic, dietary supplement, drug or medical device**.

Life Science Product Sales Contractor

Life science product sales contractor means a person or organization engaged to provide service, advice or instruction in connection with the dispensing, distribution, furnishing or sale of a **life science product**, other than in connection with a **human clinical trial**.

Life Science Product Service

Life science product service means:

- clinical;
- design or development review;
- laboratory; or
- research;

service, advice or instruction in connection with a **life science product**.

Life Science Product Service Contractor

Life science product service contractor means a person or organization engaged to provide **life science product service**, other than in connection with a **human clinical trial**.

Loading Or Unloading

Loading or unloading:

- A. means the handling of property:
 - 1. after it is moved from the place where it is accepted for movement into or onto an aircraft, **auto** or watercraft;
 - 2. while it is in or on an aircraft, **auto** or watercraft; or
 - 3. while it is being moved from an aircraft, **auto** or watercraft to the place where it is finally delivered.
- B. does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, **auto** or watercraft.

Medical Device

Medical device means an apparatus, contrivance, implant, implement, instrument, in vitro reagent, machine or similar or related article, including an accessory, component or part, that is:

- intended for use in the cure, diagnosis, mitigation, prevention or treatment of disease, injury or sickness in human beings;

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions

Medical Device (continued)

- intended to affect any function or structure of the human body; or
 - recognized as such in the official *United States Pharmacopoeia - National Formulary*;
- which does not achieve any of its primary intended purposes through chemical action upon or within the human body and which is not dependent upon being metabolized for the achievement of any of its primary intended purposes.

Medical Expenses

Medical expenses means reasonable expenses for necessary:

- ambulance, hospital or professional nursing services;
- dental, medical, surgical or x-ray services, including prosthetic devices;
- first aid administered at the time of an accident; or
- funeral services.

Mobile Equipment

Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:

- A. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- B. vehicles maintained for use solely on premises owned by or rented to you;
- C. vehicles that travel on crawler treads;
- D. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - 1. power cranes, shovels, loaders, diggers or drills; or
 - 2. road construction or resurfacing equipment such as graders, scrapers or rollers;
- E. vehicles not described in subparagraphs A., B., C. or D. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - 1. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - 2. cherry pickers and similar devices used to raise or lower workers; and
- F. vehicles not described in subparagraphs A., B., C. or D. above maintained primarily for purposes other than the transportation of persons or cargo.

Mobile equipment does not include self-propelled vehicles with the following types of permanently attached equipment, and such vehicles will be considered **autos**:

- 1. equipment designed primarily for:
 - a. snow removal;

Reference Copy

Definitions

Mobile Equipment (continued)

- b. road maintenance, but not construction or resurfacing; or
- c. street cleaning;
- 2. cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- 3. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

Natural Resources

Natural resources means air, biota, fish, land, drinking water, groundwater, surface water and wildlife appertaining or belonging to, held in trust or managed by or otherwise controlled by a governmental authority.

Nuclear Facility

Nuclear facility means any:

- A. **nuclear reactor**;
- B. device or equipment designed or used for:
 - 1. handling, packaging or processing **nuclear waste**;
 - 2. processing or utilizing **nuclear spent fuel**; or
 - 3. separating the isotopes of plutonium or uranium;
- C. device or equipment used for the alloying, fabricating or processing of **nuclear or radioactive material**, if at any time the total amount of such material in the custody of the **insured** at the premises where such device or equipment is located consists of or contains more than:
 - 1. twenty five grams of plutonium or uranium 233 or any combination thereof; or
 - 2. two hundred fifty grams of uranium 235; or
- D. basin, excavation, place, premises or structure prepared or used for the disposal or storage of **nuclear 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 Hazardous Properties

Nuclear hazardous properties includes explosive, radioactive or toxic properties

Nuclear Or Radioactive Material

Nuclear or radioactive material means any:

- by-product material, source material or special nuclear material; or
- other solid, liquid or gaseous substance that emits radiation;

including its presence or use in any alloy, by-product, compound or other material or waste.

As used herein:

- waste includes material to be recycled, reconditioned or reclaimed.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions

Nuclear Or Radioactive Material
(continued)

- by-product material, source material and special nuclear material have the meanings given them in the United States of America Atomic Energy Act of 1954 or in any law amendatory thereof or in any similar applicable law in any jurisdiction.

Nuclear Reactor

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.

Nuclear Spent Fuel

Nuclear spent fuel means any fuel element or fuel component, liquid or solid, that has been exposed to radiation or used in a **nuclear reactor**.

Nuclear Waste

Nuclear waste means any waste material:

- containing **nuclear or radioactive material**, other than the tailings or wastes produced by the concentration or extraction of thorium or uranium from any ore processed primarily for its source material content; and
- resulting from the operation by any person or organization of any **nuclear facility** described in subparagraphs A. or B. of the definition of **nuclear facility**.

As used herein, source material has the meaning given it in the United States of America Atomic Energy Act of 1954 or in any law amendatory thereof or in any similar applicable law in any jurisdiction.

Occurrence

A. **All Coverages Except Hazardous Substances/Pollution Liability Coverage – Time Element Basis**

With respect to all coverages under this contract (except Hazardous Substances/Pollution Liability Coverage–Time Element Basis), **occurrence** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

B. **Hazardous Substances/Pollution Liability Coverage - Time Element Basis**

With respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis, **occurrence**

1. means the actual and accidental discharge, release or escape of **hazardous substances** or **pollutants** directly from the container, media or system designed to handle or hold such **hazardous substances** or **pollutants**.

All discharges, releases or escapes, whether continuous, intermittent or repeated, that are related to substantially the same general cause or conditions will be deemed the same **occurrence** regardless of the:

- number of such discharges, releases or escapes;
- number or proximity of such containers, media or systems from which **hazardous substances** or **pollutants** are discharged or released, or escape;
- duration of such discharges, releases or escapes;
- period of time during which such discharges, releases or escapes occur; or
- size of the space or geographic area in which such discharges, releases or escapes take place.

Reference Copy

Definitions

Occurrence (continued)

An **occurrence** involving more than one discharge, release or escape will be deemed to commence at the time the first of such discharges, releases or escapes commenced.

2. does not include any discharge, release or escape in a quantity or with a quality that is routine or usual to the conduct of the **insured's** business.

Officer

Officer means a person holding any of the officer positions created by an organization's charter, constitution, by-laws or any similar governing document.

Other Insurance

Other insurance:

- A. means any insurance or bond affording coverage that this insurance would also afford.
- B. includes any:
 1. type of deductible, self-insurance or other mechanism arranged for funding of loss.
 2. discovery period or extended reporting period available under any insurance, bond or other mechanism described above.
 3. reinstatement of limits or supplemental or other limits available under any insurance, bond or other mechanism described above.
- C. does not include insurance negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Personal Injury

Personal injury means injury, other than **bodily injury**, **property damage** or **advertising injury**, caused by an offense of:

- A. false arrest, false detention or other false imprisonment.
- B. malicious prosecution.
- C. wrongful entry into, wrongful eviction of a person from or other violation of a person's right of private occupancy of a dwelling, premises or room that such person occupies, if committed by or on behalf of its landlord, lessor or owner.
- D. electronic, oral, written or other publication of material that:
 1. libels or slanders a person or organization (which does not include disparagement of goods, products, property or services); or
 2. violates a person's right of privacy.
- E. discrimination, harassment or segregation based on a person's age, color, national origin, race, religion or sex.

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and **waste**.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions

(continued)

Products-Completed Operations Hazard

Products-completed operations hazard:

A. includes all **bodily injury** and **property damage** taking place away from premises owned or occupied by or loaned or rented to you and arising out of **your product** or **your work**, except:

1. products that are still in your physical possession; or
2. work that has not yet been completed or abandoned.

Your work will be deemed completed when:

- all of the work called for in your contract or agreement has been completed.
- all of the work to be performed at the site has been completed, if your contract or agreement calls for work at more than one site.
- that part of the work completed at a site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

B. does not include **bodily injury** or **property damage** arising out of:

1. the transportation of property, unless such injury or damage results from a condition in or on a vehicle not owned or operated by or loaned or rented to you and such condition was created by the **loading or unloading** of such vehicle by any **insured**; or
2. the existence of tools, uninstalled equipment or abandoned or unused materials.

C. notwithstanding anything to the contrary set forth above, includes all **bodily injury** and **property damage** in connection with:

1. a **human clinical trial**.
2. **your product** that is or was at any time loaned or rented to or located for the use of others, whether or not such product:
 - a. has been sold; or
 - b. is in your possession.

Property Damage

A. ***All Coverages Except Hazardous Substances/Pollution Liability Coverage – Time Element Basis***

With respect to all coverages under this contract (except Hazardous Substances/Pollution Liability Coverage–Time Element Basis), **property damage** means:

1. physical injury to tangible property, including resulting loss of use of such property (all such loss of use will be deemed to occur at the time of the physical injury that caused it); or
2. loss of use of tangible property that is not physically injured (all such loss of use will be deemed to occur at the time of the **occurrence** that caused it).

Reference Copy

Definitions

Property Damage (continued)

B. Hazardous Substances/Pollution Liability Coverage – Time Element Basis

With respect to Hazardous Substances/Pollution Liability Coverage–Time Element Basis, **property damage**:

1. means:
 - a. physical injury to **natural resources** or other tangible property, including resulting loss of use of such property (all such loss of use will be deemed to occur at the time of the physical injury that caused it); or
 - b. loss of use of **natural resources** or other tangible property that is not physically injured, but which has been evacuated, withdrawn from use or rendered inaccessible because of an **occurrence** (all such loss of use will be deemed to occur at the time of the **occurrence** that caused it).
2. includes **cleanup** affecting **natural resources** or other tangible property.

Tangible property does not include any software, data or other information that is in electronic form.

Specific Professional Services

Specific professional services means any of the following service, advice or instruction:

- Accounting.
- Actuarial.
- Architecture, engineering or surveying.
- Graphic arts, printing or publishing.
- Legal.

Suit

Suit:

- means a civil proceeding in which damages, to which this insurance applies, are sought.
- includes an arbitration or other dispute resolution proceeding in which such damages are sought and to which the **insured** must submit or does submit with our consent.

Temporary Worker

Temporary worker means a person who is furnished to a party to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.

Underground Facility

Underground facility means any container or system, including any ducts, pipes or other apparatus used therewith, if 10 percent or more of the volume of such container or system is or was at any time beneath the surface of the ground.

Waste

Waste includes material to be recycled, reconditioned or reclaimed.

Reference Copy

Extended General Liability (Including Products-Completed Operations/Human Clinical Trials Claims-Made) For Life Sciences

Definitions (continued)

Waste Facility

Waste facility means that particular part of any premises, site or location which is or was at any time licensed, or subject to licensing or reporting requirements, by a governmental authority for the disposal, reclamation, reconditioning, recycling, processing or treatment of **waste**.

Your Product

Your product:

A. means any:

1. goods or products (other than real property), including **information and network technology products** and **life science products**, created, developed, installed, leased or licensed (to others) or otherwise manufactured, sold, handled, distributed or disposed of by:
 - a. you;
 - b. others trading under your name; or
 - c. a person or organization whose assets or business you have acquired; and
2. containers (other than vehicles), equipment, materials or parts furnished in connection with such goods or products.

B. includes:

1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your product**; and
2. the providing of or failure to provide instructions or warnings in connection with **your product**.

Your Work

Your work:

A. means any:

1. operations or work, including **information and network technology services** and **life science product services**, performed by:
 - a. you or on your behalf; or
 - b. a person or organization whose assets or business you have acquired; and
2. equipment, materials or parts furnished in connection with such operations or work.

B. includes:

1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your work**; and
2. the providing of or failure to provide instructions or warnings in connection with **your work**.

Reference Copy

Liability Insurance

*Liability Global Extension For Life Sciences
With Controlled Underlying Insurance*

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Liability Global Extension For Life Sciences With Controlled Underlying Insurance

Contract

Applicability Of This Global Extension

The additions, deletions and modifications contained in this Global Extension apply only to the insurance afforded by this Global Extension and only with respect to claims, suits or other loss circumstances happening outside the United States of America (including its possessions and territories) and Puerto Rico. However, this Global Extension does not apply to a suit brought in the United States of America or Puerto Rico.

Unless otherwise specified in this Global Extension:

- all other terms and conditions of this insurance remain unchanged; and
- this insurance is not subject to the terms and conditions of any **underlying insurance** or other insurance.

The most that will be payable under this insurance and under all **controlled underlying insurance** is fixed as set forth in the Limits Of Insurance provisions of this insurance and as described in the Limits Of Insurance – Special Provisions, Including Human Clinical Trials of this Global Extension.

The use of the words damages, loss, cost or expense in any provision does not expand any coverages under this insurance.

Under Coverages, the following provisions are added.

Coverages

Difference In Limits/Excess Provision

Subject to all the terms and conditions of this insurance, we will pay or reimburse damages, loss, cost or expense to which this insurance applies, but only:

- that part of such damages, loss, cost or expense which exceeds all applicable limits of **underlying insurance**;
- to the extent that the damages, loss, cost or expense would be payable under the terms and conditions of such **underlying insurance** but for the exhaustion of the limits of the **underlying insurance** (by its terms and conditions) by payment of judgments, settlements or costs or expenses (if such costs or expenses reduce such limits); and
- to the extent that the Limits Of Insurance of this insurance have not been used up as described in the Limits Of Insurance provisions of this insurance.

This Difference In Limits/Excess Provision applies only if all applicable limits of **underlying insurance**, by its terms and conditions, are:

- reduced by payment of judgments, settlements or costs or expenses (if such costs or expenses reduce such limits); in such event, this insurance will drop down to apply in excess of the remaining amount of the applicable limits of **underlying insurance**; or
- exhausted by payment of judgments, settlements or costs or expenses (if such costs or expenses reduce such limits); in such event this insurance will apply in place of such **underlying insurance**.

This Difference In Limits/Excess Provision does not apply to any part of any:

- A. amounts within the limits of **underlying insurance**, regardless of whether or not such **underlying insurance** is available or collectible.
- B. amounts for which the liability or obligation under **underlying insurance** is by law unlimited, regardless of whether or not such **underlying insurance** is available or collectible.

Coverages

Difference In Limits/Excess Provision (continued)

- C. costs or expenses related to any amounts as described in subparagraphs A. or B. above.

Collectibility Provision

- A. Subject to all the terms and conditions of this insurance, we will pay or reimburse damages, loss, cost or expense to which this insurance applies, but only to the extent that such damages, loss, cost or expense:
1. are not collectible under **controlled underlying insurance**; and
 2. would otherwise be payable under the terms and conditions of such **controlled underlying insurance**.
- B. This Collectibility Provision applies only if the damages loss, cost or expense are not collectible under **controlled underlying insurance** because the insurer of the **controlled underlying insurance**:
1. is **financially impaired**; or
 2. has not paid within a reasonable period of time from the date of entry of final judgment or the date of settlement that determines the amount the insured is legally obligated to pay.
- C. This Collectibility Provision does not apply to any part of any:
1. amounts within the limits of **underlying insurance** provided by any insurer other than an insurer of **controlled underlying insurance** (regardless of whether or not such **underlying insurance** is provided as coinsurance with an insurer of **controlled underlying insurance**).
 2. deductible, participation or retention (including any amounts allocated to and required to be paid by the insured).
 3. amounts claimed by any conservator, liquidator or statutory successor of any insurer.
 4. costs or expenses related to any amounts described in subparagraphs C.1, C.2. or C.3. above.
- D. As a condition precedent to the applicability of this Collectibility Provision, you must:
1. comply with all of the terms and conditions, including any duty to report claims, suits or other loss circumstances, applicable to this insurance and any **controlled underlying insurance**.
 2. upon our request, submit a sworn proof of loss to us, even though you or any other insured may have made a similar statement to the applicable insurer.
 3. cooperate with us to obtain, for our benefit, all of the insured's rights and all of the rights of the insurers of **controlled underlying insurance** (in connection with such **controlled underlying insurance**), including any indemnifications and recoveries from any government or others.
- E. If payment is ultimately made to you or any other insured under any **controlled underlying insurance**, then you must promptly reimburse us for any payment that we have made under this provision. You must make such reimbursements in currencies and jurisdictions that are mutually acceptable.

Liability Global Extension For Life Sciences With Controlled Underlying Insurance

Coverages (continued)

Differences In Terms/Conditions Provision

Subject to all the terms and conditions of this insurance, we will pay or reimburse damages, loss, cost or expense to which this insurance applies, but only to the extent that there is no **underlying insurance** applicable to such damages, loss, cost or expense.

This Differences In Terms/Conditions Provision does not apply to any part of any:

- A. amounts to which any **underlying insurance** by its terms and conditions would apply, regardless of whether or not:
 - 1. **underlying insurance** is available or collectible; or
 - 2. the limits of **underlying insurance** have been exhausted.
- B. amounts to which any **underlying insurance** by its terms and conditions would have applied, but for a limitation in such insurance with respect to:
 - 1. when an **event trigger** happens or when a claim is made or reported, unless such insurance is **controlled underlying insurance**; or
 - 2. the amount of the limits of insurance of such insurance.
- C. deductible, participation or retention (including any amounts allocated to and required to be paid by the insured).
- D. costs or expenses related to any amounts as described in subparagraphs A., B. or C. above.

As a condition precedent to the applicability of this Differences In Terms/Conditions Provision you must comply with all of the terms and conditions, including any duty to report claims, suits or other loss circumstances applicable to this insurance and any **underlying insurance**.

Human Clinical Trial Compensation Guidelines Provision

Subject to all the terms and conditions of this insurance, if **human clinical trial compensation guidelines** apply in connection with injury or damage sustained by a human being as a result of their participation in a human clinical trial, then we agree that the settlement of claims will be initiated in accordance with such applicable **human clinical trial compensation guidelines**

However, if an agreed settlement cannot be reached in accordance with the terms and conditions of the **human clinical trial compensation guidelines** then we will pay or reimburse damages, loss, cost or expense, to which this insurance applies, that the insured becomes legally obligated to pay.

Joint Investigation, Defense And Settlement Duties

The following section is added.

Subject to all of the terms and conditions of this insurance, we will have the right to investigate, defend or settle any claim, suit or other loss circumstance as set forth in this insurance; however, notwithstanding anything to the contrary contained elsewhere in this insurance:

- A. we have no duty to investigate, defend or settle any claim, suit or other loss circumstance:
 - 1. with respect to any part of any damages, loss, cost or expense to which this insurance does not apply;
 - 2. if the terms and conditions of **underlying insurance** apply to such claim, suit or other loss circumstance;
 - 3. under the Difference In Limits/Excess Provision or Collectibility Provision of this insurance; or

**Joint Investigation,
Defense And
Settlement Duties**
(continued)

4. in any jurisdiction where we are:
 - a. not licensed or permitted to do business; or
 - b. prevented by law or otherwise from investigating, defending or settling a claim, suit or other loss circumstance.
- B. you and any other insured must:
 1. see to it that any investigation, defense or settlement of any claim, suit or other loss circumstance is conducted as we deem reasonable.
 2. take all steps, as appropriate, to avoid any default in any claim, suit or proceeding.
 3. obtain our approval for any payment.
 4. effect payments to others with our approval.
- C. we may, at our discretion:
 1. participate in any investigation, defense or settlement of any claim, suit or other loss circumstance.
 2. adjust and coordinate any claim, suit or other loss circumstance with the first named insured. However, the first named insured is ultimately responsible for the proper apportionment of any payment made under this insurance.
- D. we may make advances, payments or reimbursements of damages, loss, cost or expense to which this insurance applies, as described in the provision titled Advances Or Reimbursements.

Under Limits Of Insurance, the following provision is added.

Limits Of Insurance

**Limits Of Insurance –
Special Provisions,
Including Human Clinical
Trials**

The following Special Provisions, including the Controlled Underlying Other Aggregate Limit (described in paragraph D.) are added to the Limits Of Insurance provisions of this insurance and will also be deemed to apply to the limits of insurance provisions of any **controlled underlying insurance**.

All such Special Provisions will apply for purposes of determining the most that will be payable under this insurance or any **controlled underlying insurance** or any combination thereof.

Notwithstanding paragraphs A. through G. below, the limits of insurance of **controlled underlying insurance** applicable to human clinical trials shown in the Schedule of this Global Extension will:

- . not be reduced by amounts paid under this insurance or under other **controlled underlying insurance**; and
- . be determined by the limits of insurance provisions of such **controlled underlying insurance**.
- A. The limits of insurance of any **controlled underlying insurance** will be deemed to be part of (and will not be in addition to), as applicable:
 1. the Limits Of Insurance shown in the Declarations of this insurance; or
 2. the Controlled Underlying Other Aggregate Limit.

Liability Global Extension For Life Sciences With Controlled Underlying Insurance

Limits Of Insurance

*Limits Of Insurance –
Special Provisions,
Including Human Clinical
Trials
(continued)*

- B. Further, there is no obligation under this insurance or any **controlled underlying insurance** or any combination thereof to make any payment that exceeds, as applicable:
1. the Limits Of Insurance shown in the Declarations of this insurance; or
 2. the lesser of:
 - a. the applicable limits of insurance of **controlled underlying insurance**; or
 - b. the Controlled Underlying Other Aggregate Limit.
- C. Any amounts actually paid under any **controlled underlying insurance** for judgments, settlements or costs or expenses will be deemed to reduce, as applicable:
1. the Limits Of Insurance shown in the Declarations of this insurance, if such amounts would have otherwise reduced such limits; or
 2. the Controlled Underlying Other Aggregate Limit, if such amounts reduce the applicable limits of insurance of **controlled underlying insurance**.
- D. ***Controlled Underlying Other Aggregate Limit***
- Subject to all applicable limits of any **controlled underlying insurance**, the Controlled Underlying Other Aggregate Limit shown in the Schedule of this Global Extension is the most that will be payable under all **controlled underlying insurance** for the sum of all amounts for judgments, settlements or costs or expenses (if such costs and expenses reduce the applicable limits of **controlled underlying insurance**) that are covered by the terms and conditions of **controlled underlying insurance**, but which are not covered by the terms and conditions of this insurance.
- Any such sums paid will reduce the amount of the Controlled Underlying Other Aggregate Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.
- If the Controlled Underlying Other Aggregate Limit is used up as described throughout these Special Provisions, then all obligations of the insurers of all **controlled underlying insurance** will be deemed to end in connection with amounts to which such limit would have otherwise applied.
- E. If the Limits Of Insurance shown in the Declarations of this insurance are used up as described throughout these Special Provisions, then all obligations of the insurers of this insurance and of all **controlled underlying insurance** will be deemed to end in connection with amounts to which such limits would have otherwise applied.
- F. The changes to any limits of insurance as described in these Special Provisions apply regardless of whether any other amounts or rules would have otherwise applied (as described under the Limits Of Insurance provisions of this insurance or the limits of insurance provisions of all **controlled underlying insurance**) in the absence of these Special Provisions.
- G. If any amounts are paid under this insurance or any **controlled underlying insurance** or any combination thereof that exceed any limits of insurance as described throughout these Special Provisions, then you must promptly reimburse us or the insurer of such **controlled underlying insurance** for any such payment. You must make such reimbursements in currencies and jurisdictions that are mutually acceptable.

Under Conditions, the following conditions are added.

Conditions

Advances Or Reimbursements

Subject to the provision titled Joint Investigation, Defense And Settlement Duties:

- we may, at our discretion, advance or pay; or
- we will reimburse;

amounts to you or others for our share of damages, loss, cost or expense to which this insurance applies.

In connection with the foregoing, we will only advance, pay or reimburse amounts for costs or expenses that are necessary and reasonable and which are incurred with our consent.

Further, with respect to any amounts in connection with a settlement, we will only advance, pay or reimburse the damages, loss, cost or expense that are incurred with our consent.

We will only make advances, payments or reimbursements in currencies and jurisdictions that are mutually acceptable.

In no event will any advances, payments or reimbursements result in any increase in the Limits Of Insurance.

Appeals

With respect to the Difference In Limits/Excess Provision, we may, at our discretion, initiate or participate in an appeal of a judgment if such judgment may result in a payment under this insurance.

In no event will any appeal result in any increase in the Limits Of Insurance.

Cancellation Or Nonrenewal - Special Provisions, Including Human Clinical Trials

Unless we agree otherwise, the following provisions will be deemed to apply to any **controlled underlying insurance** and to this insurance.

- A. Except to the extent prevented by law:
 - 1. cancellation of this Global Extension will be deemed to result in simultaneous cancellation of any **controlled underlying insurance**.
 - 2. nonrenewal of this Global Extension will be deemed to result in simultaneous nonrenewal or cancellation of any **controlled underlying insurance**.
- B. With respect to **controlled underlying insurance** applicable to human clinical trials shown in the Schedule of this Global Extension:
 - 1. paragraph A. above does not apply; and
 - 2. cancellation or nonrenewal of such **controlled underlying insurance** will be determined by the cancellation or nonrenewal provisions of such insurance.
- C. If any payment is made under this insurance or any **controlled underlying insurance** that is not otherwise required to be made because cancellation or nonrenewal of any **controlled underlying insurance** is prevented by law or otherwise, then you must promptly reimburse us (or the insurer that made the payment) for any such payment. You must make such reimbursements in currencies and jurisdictions that are mutually acceptable.

Liability Global Extension For Life Sciences With Controlled Underlying Insurance

Conditions (continued)

Currency

Amounts under this insurance are expressed and payable in United States of America currency.

However, at our discretion, we may pay damages, loss, cost or expense in another currency.

In the event of damages, loss, cost or expense involving another currency, conversion into or from such currency shall be computed as follows:

- with respect to judgments or settlements, amounts shall be computed at a free rate of exchange as soon as practicable following the date of entry of final judgment or the date of settlement.
- with respect to elements of loss other than payments for judgments or settlements, amounts shall be computed at a free rate of exchange as soon as practicable following the date of our agreement to release payment for such element of loss.

In no event will any conversion into or from another currency result in any increase in the Limits Of Insurance as expressed in United States of America currency.

Maintenance Of Compulsory Admitted Insurance And Required Specific Insurance

This insurance is not a substitute for any **compulsory admitted insurance** in any jurisdiction, regardless of whether this insurance would otherwise be accepted or qualify as **compulsory admitted insurance** in any jurisdiction.

If a Required Specific Insurance Endorsement is made a part of this insurance, then it is agreed that:

- we have provided this insurance based upon any representations made by you or on your behalf about any **required specific insurance**;
- we have provided this insurance in reliance upon any such representations; and
- this insurance is not a substitute for any **required specific insurance**.

It is your responsibility to see to it that any **compulsory admitted insurance** and any **required specific insurance** (including the limits of insurance and all other terms and conditions thereof) and any renewal or replacement thereof:

- is obtained and remains valid and in full force and effect.
- will have limits no less than and terms and conditions no more restrictive than those required by law or as set forth in any Required Specific Insurance Endorsement.
- will not be canceled, non-renewed or rescinded without replacement by insurance to which we agree.
- will not materially change, unless the change is required by law or is otherwise agreed to by us.
- is and remains available and collectible, regardless of whether or not any insurer or any other person or organization is or becomes **financially impaired**.
- will not be reduced or exhausted, except for the reduction or exhaustion (by its terms and conditions) by payment of judgments, settlements or cost or expenses (if such costs or expenses reduce such limits).

This provision applies regardless of whether or not you obtain such **compulsory admitted insurance** or **required specific insurance** from us or any other insurer.

Conditions

Maintenance Of Compulsory Admitted Insurance And Required Specific Insurance (continued)

Failure to comply with this provision will not invalidate this insurance. In no event will our obligations exceed that which would have applied absent any failure to comply with this provision.

You must notify us as soon as practicable if any **compulsory admitted insurance** or **required specific insurance** is no longer valid or in full force and effect.

Under Conditions, the condition titled Other Insurance is deleted and replaced by the following.

Conditions

Other Insurance

If other valid and collectible insurance (including any bond or other mechanism for funding of loss) is available to any insured or other qualifying interest (under this insurance) for any damages, loss, cost or expense we would otherwise cover under this insurance, then our obligations are limited as follows.

This insurance is excess over, and will not contribute with, any other insurance (whether primary, excess, contingent or on any other basis) including any other insurer's antecedent or replacement of this insurance or any such other insurance under which any insured or other qualifying interest (under this insurance) is included as an insured or other qualifying interest under such other insurance.

We will pay only our share of amounts, if any, that exceed the sum of the total amounts:

- A. that all such other insurance, bonds or other mechanisms would pay for any damages, loss, cost or expense in the absence of this insurance, including under any available:
 - 1. discovery period or extended reporting period;
 - 2. reinstatement of limits or supplemental or other limits; and
- B. of any deductible, participation or retention (including any amounts allocated to and required to be paid by the insured) in connection with any insurance, bond or other mechanism described above.

This provision applies regardless of whether or not any of the foregoing is **required specific insurance**.

This provision does not apply to:

- insurance negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.
 - the Collectibility Provision.
-

Liability Global Extension For Life Sciences With Controlled Underlying Insurance

Under Definitions, the following definitions are added.

Definitions

Admitted Insurance

Admitted insurance means insurance, bonds or other mechanisms to be arranged for funding of loss and to be provided by a person or organization licensed or permitted by law to do such business in a given jurisdiction.

Authorized Correspondent

Authorized correspondent means an insurer, other than a member company of the Chubb Group of Insurance Companies, that we indicate is our correspondent, but only for each specific insurance transaction we authorize.

Compulsory Admitted Insurance

Compulsory admitted insurance means **admitted insurance** required to be in force to satisfy the legal requirements of a given jurisdiction.

Controlled Underlying Insurance

Controlled underlying insurance means insurance:

- that is negotiated specifically to apply as primary insurance to the insurance afforded under this Global Extension; and
- which a member company of the Chubb Group of Insurance Companies or an **authorized correspondent** provides to you or **your subsidiary**.

Event Trigger

Event trigger refers to the:

- injury, damage or other loss; or
- accident, act, occurrence, offense or other cause of loss;

that must happen for coverage to apply as described under the applicable coverage.

Financially Impaired

Financially impaired means declared or placed in bankruptcy, conservation, liquidation, receivership or rehabilitation by a court or regulatory authority having jurisdiction.

Human Clinical Trial Compensation Guidelines

Human clinical trial compensation guidelines means:

- compulsory guidelines that are imposed by government or regulatory authority; or
- written guidelines that are voluntarily agreed to by you and accepted by us;

that set forth the manner and rules by which to determine if, and to what extent, a human being in a human clinical trial should be paid compensation by you for bodily injury or property damage sustained by such human being as a result of their participation in a human clinical trial to which this insurance applies.

Definitions

(continued)

Required Specific Insurance

Required specific insurance means insurance that is described in any Required Specific Insurance Endorsement.

Underlying Insurance**Underlying insurance:**

- A. means:
 - 1. **compulsory admitted insurance;**
 - 2. **controlled underlying insurance;** and
 - 3. any other insurance, bonds or other mechanisms arranged for funding of loss; regardless of whether or not any of the foregoing is **required specific insurance.**
- B. includes any:
 - 1. available discovery period or extended reporting period;
 - 2. available reinstatement of limits or supplemental or other limits; and
 - 3. deductible, participation or retention (including any amounts allocated to and required to be paid by the insured).
- C. does not include insurance negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Your Subsidiary

Your subsidiary means an organization of which the first named insured controls, either directly or indirectly, more than fifty percent of the interests entitled to vote generally in the election of the governing body of such organization.

Schedule

Controlled Underlying Other Aggregate Limit:

\$ 1,000,000

Liability Insurance Section

Endorsements

Reference Copy

Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

EMPLOYEE BENEFITS ERRORS OR OMISSIONS

Under Conditions, the provision titled Premium Audit is deleted and replaced by the following.

Conditions

Premium Audit

We will compute all premiums for this insurance in accordance with our rules and rates. We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013
Effective Date AUGUST 19, 2012
Policy Number 3579-64-71 DAL
Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued OCTOBER 11, 2012

This Endorsement applies to the following forms:

EMPLOYEE BENEFITS ERRORS OR OMISSIONS

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Exclusion Endorsement

Information Distribution Laws

With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any actual or alleged violation of:

- the United States of America CAN-SPAM Act of 2003 or any law amendatory thereof;
- the United States of America Telephone Consumer Protection Act (TCPA) of 1991 or any law amendatory thereof; or
- any other ordinance, regulation or statute relating to communicating, distribution, publication, sending or transmitting of content, information or material.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY
EMPLOYEE BENEFITS ERRORS OR OMISSIONS

The following changes are made as respects exposures in the state of Louisiana.

Under Conditions, the provision titled Legal Action Against Us is deleted and replaced by the following:

Liability Conditions

Legal Action Against Us

A person or organization may bring a **suit** against us including, but not limited to, a **suit** to recover on an agreed settlement or on a final judgement against an **insured**; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An "agreed settlement" means a settlement and release of liability signed by us, the insured and the claimant or claimant's legal representative.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

EMPLOYEE BENEFITS ERRORS OR OMISSIONS
GENERAL LIABILITY

With respect to the Coverages described in the Schedule, the following provision is added to this policy and replaces any similar provision contained therein. The use of the words damages, loss, cost or expense in any provision does not expand any coverages under this contract.

Coverages

*Coverage Territory,
Scheduled*

Subject to all of the terms and conditions of this insurance, with respect to the Coverages as described in the Schedule, such Coverages apply only if an **event trigger** happens in the Applicable Coverage Territory as described in the Schedule.

As used herein the following words and phrases have special meanings described below.

Definitions

Event Trigger

Event trigger refers to the:

- injury, damage or other loss; or
- accident, act, occurrence, offense or other cause of loss;

that must happen for coverage to apply as described under the applicable Coverage.

Schedule

Coverage:

Liability Endorsement
(continued)

ALL COVERAGES CONTAINED IN THE LIABILITY CONTRACTS SHOWN IN THE LIABILITY INSURANCE SCHEDULE OF FORMS IN EFFECT AT THE TIME OF LOSS. HOWEVER, THE PROVISIONS OF THIS LIABILITY GLOBAL EXTENSION DO NOT APPLY TO ANY COVERAGE CONTAINED IN THE STOP GAP CONTRACT (FORM 80-02-2022 OR 80-02-2023) OR THE PRODUCT WITHDRAWAL EXPENSE CONTRACT (FORM 80-02-2050 OR 80-02-2051), IF SUCH CONTRACTS ARE SHOWN IN SUCH SCHEDULE.

Applicable Coverage Territory:

Coverage Territory means, and therefore this insurance applies,

ANYWHERE

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Applicability of Global Extension

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

Issued by the stock insurance company indicated below, hereinafter called the company.

FEDERAL INSURANCE
COMPANY

Producer No. 0024843

Incorporated under the laws of
INDIANA

Producer STONE INSURANCE, INC.
1502 W. CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

SCHEDULE

Your policy includes a Liability Global Extension. This Global Extension, subject to its terms (and all of the other terms and conditions of your policy) operates with any other insurance policies issued to you or your subsidiaries and negotiated as a single multinational insurance program.

The provisions of the Liability Global Extension apply to the following coverages:

ALL COVERAGES CONTAINED IN THE LIABILITY CONTRACTS SHOWN IN THE LIABILITY INSURANCE SCHEDULE OF FORMS IN EFFECT AT THE TIME OF LOSS. HOWEVER, THE PROVISIONS OF THIS LIABILITY GLOBAL EXTENSION DO NOT APPLY TO ANY COVERAGE CONTAINED IN THE STOP GAP CONTRACT (FORM 80-02-2022 OR 80-02-2023) OR THE PRODUCT WITHDRAWAL EXPENSE CONTRACT (FORM 80-02-2050 OR 80-02-2051), IF SUCH CONTRACTS ARE SHOWN IN SUCH SCHEDULE.

Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

EMPLOYEE BENEFITS ERRORS OR OMISSIONS
GENERAL LIABILITY

A new section titled Terrorism Provisions is added to the end of this contract.

Terrorism Provisions

Certified Act Of Terrorism Exclusion

This insurance does not apply to any loss, cost or expense arising, directly or indirectly, out of a **certified act of terrorism**.

Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy.

A new section titled Terrorism Definitions is added.

Terrorism Definitions

Certified Act Of Terrorism

Certified act of terrorism means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act:

- A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure;
and
- B. that results in damage:
 - 1. within the **United States**; or

Liability Endorsment
(continued)

2. outside of the **United States** in the case of:
- a. an air carrier or vessel as described in the **terrorism law**; or
 - b. the premises of a mission of the United States of America, which was committed by an individual or individuals as part of an effort to:
 - coerce the civilian population; or
 - influence the policy or affect the conduct of the Government, of the **United States**.

Certified act of terrorism does not include an act that:

- is committed as part of the course of a war declared by the Congress of the **United States**; or
- does not result in property and casualty insurance losses that exceed \$5 million in the aggregate and are attributable to all types of insurance subject to the **terrorism law**.

State

State means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any territory or possession of the United States of America.

Terrorism Law

Terrorism law means the Terrorism Risk Insurance Act of 2002 (Pub.L.107-297) as amended by the Terrorism Risk Insurance Extension Act of 2005 (Pub.L.109-144) and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (Pub.L.110-160).

United States

United States means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Exclusion Endorsement

Scheduled Diseases

With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any:

- A. condition, disease or sickness shown in the Schedule, including any similar or other condition, disease, injury or sickness related thereto, by whatever name known;
- B. causative agent of any condition, disease, injury or sickness described in subparagraph A. above, regardless of whether such agent gives rise to any such condition, disease, injury or sickness or any other condition, disease, injury or sickness, by whatever name known; or
- C. actual or attempted counseling or testing for, or containing, detoxifying, mitigating, monitoring or neutralizing of, or responding to, or assessing the effects of any:
 - 1. condition, disease, injury or sickness; or

Reference Copy

Liability Endorsement

(continued)

2. causative agent;

described in subparagraph A. or B. above, including any:

- actual or attempted cure, diagnosis, prevention or treatment of any such condition, disease, injury or sickness;
- actual or attempted cleaning-up, disposing, handling or removing of any such causative agent; or
- failure to perform any of the foregoing.

Schedule

Acquired Immune Deficiency Syndrome (AIDS)

Transmissible Spongiform Encephalopathy (TSE)

Viral Hepatitis

- * Cisapride-Propulsid
- * Dexfenfuramine-Redux
- * Di-2-ethylhexyl-DEHP
- * Diethylstilbestrol-DES
- * Ephedrine
- * Fenfluramine-Pondimum
- * Isotrentinoin-Accutane
- * Latex
- * L-tryptophan
- * Mercury
- * Phentermine
- * Phenylpropanolamine-PPA
- * Piper Methysticum-Kava
- * Silicone
- * Thalidomide
- * Thimerosal
- * Troglitazone-Rezulin

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in this exclusion does not expand any coverage(s) under this contract.

Exclusion Endorsement

Human Clinical Trials

With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any **human clinical trial**.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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This Endorsement applies to the following forms:

GENERAL LIABILITY

Non-Accumulation Of Limits Of Insurance

The following provision is added to this policy.

If this insurance contract is one of several insurance contracts issued by us or other member companies of the Chubb Group of Insurance Companies to you, or your subsidiary organizations, then any claim that could be covered under two or more contracts will be subject to the limits of insurance under the contract with the highest applicable limit of insurance or, if the limits are the same, under the limits of insurance of one contract.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

EMPLOYEE BENEFITS ERRORS OR OMISSIONS
GENERAL LIABILITY

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Exclusion Endorsement

Tobacco

With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any:

- A. actual, alleged or threatened:
 - 1. contaminative, pathogenic, toxic or other hazardous properties of; or
 - 2. defect, deficiency, inadequacy or dangerous condition in;
any **tobacco or tobacco-related product**.
- B.
 - 1. request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of any **tobacco or tobacco-related product**; or
 - 2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way respond to, or assessing the effects of any **tobacco or tobacco-related product**.

Reference Copy

Liability Endorsement

(continued)

The following definition is added to this policy and replaces any similar definition contained therein.

Definition

*Tobacco Or
Tobacco-Related Product*

Tobacco or tobacco-related product means any:

- plant of the genus *nicotiana* (herein referred to as "tobacco") by whatever name known, including its presence or use in a cigar or cigarette or in chewing or smoking as snuff;
- chemical, mineral or other material, good or product applied to, found within, sprayed on or used in connection with tobacco;
- filter, paper, pipe, wrapper or any other tobacco-related accessory;
- tobacco cessation good, product, service, advice or instruction; or
- smoke or other solid, liquid, gaseous or thermal by-product or residue of tobacco or in connection with any of the foregoing.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Exclusion Endorsement

Intercompany Products Claims Or Suits

This insurance does not apply to damages, loss, cost or expense in connection with any claim or **suit** made or brought by or on behalf of any named **insured** against any other named **insured** because of **bodily injury** or **property damage** arising out of **your product** and included in the **products-completed operations hazard**.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

EMPLOYEE BENEFITS ERRORS OR OMISSIONS
GENERAL LIABILITY
INTERNATIONAL WORKERS COMP

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Exclusion Endorsement

- Asbestos, Silica Or Similar Compounds, Including Mixed Dust***
- A. With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising, in whole or in part, out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of:
1. **asbestos;**
 2. **silica;** or
 3. **mixed dust.**
- B. With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising, in whole or in part, out of any:
1. demand, order, request or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess; or
 2. claim or proceeding by or on behalf of a governmental authority or others for any damages, loss, cost or expense because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing;

Reference Copy

Liability Endorsement

(continued)

the effects of:

- **asbestos;**
- **silica;** or
- **mixed dust.**

The following Definitions are added to this policy and replace any similar definitions contained therein.

Definitions

Asbestos

Asbestos means asbestos in any form, including its presence or use in any alloy, by-product, compound or other material or **waste**.

Mixed Dust

Mixed dust means any combination or mixture of **asbestos** or **silica** and any other dust, fibers or particles, in any form, including any presence or use in any alloy, by-product, compound or other material or **waste**.

Silica

Silica means silica in any form (including silicates or other similar silicon compounds), including its presence or use in any alloy, by-product, compound or other material or **waste**.

Waste

Waste includes material to be recycled, reconditioned or reclaimed.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

EMPLOYEE BENEFITS ERRORS OR OMISSIONS

The following section, titled Deductibles, is added to the forms described above and replaces any applicable deductible provisions contained therein.

Deductibles

Basis And Amounts Of Deductibles

As used in this endorsement, words and phrases that appear in "quotation marks" have special meanings as described in the Deductible Definitions provision of this endorsement.

The provisions of this Deductible section apply to the Coverages as indicated in the Declarations and this endorsement. Each Deductible applies separately from and in addition to any other Deductible.

If the applicable Deductible is indicated to apply on the basis of:

- Each Claim, then the amount of the Deductible applies separately to the sum of amounts described in the provision titled Deductible Obligations, in connection with loss allocable to each separate person and organization that arises out of each separate "event."
- Each "Event," then the amount of the Deductible applies separately to the sum of amounts described in the provision titled Deductible Obligations, in connection with loss that arises out of each separate "event."

Deductible amounts:

- A. starting with the beginning of the policy period shown in the Declarations, apply separately to each consecutive annual period and to any remaining period and to any extension period.

Reference Copy

Liability Endorsement

(continued)

- B. will not be less than the amounts as indicated in the Declarations and this endorsement, regardless of whether this insurance (or this endorsement) is:
1. issued for a policy period of less than twelve (12) months; or
 2. terminated before the end of the policy period shown in the Declarations for any reason.

Aggregate Deductible

If no amount is shown in the Schedule for an Aggregate Deductible, then there is no aggregate limit applicable to your Deductible Obligations, and you must promptly pay all amounts described in the provision titled Deductible Obligations regardless of the number of losses.

If an amount is shown in the Schedule for the Aggregate Deductible, then that is the amount, in the aggregate, which you must promptly pay for amounts described in the provision titled Deductible Obligations.

However, if an Exposure Base, Exposure Estimate and Rate are shown in the Schedule, then the Aggregate Deductible is an estimated amount and is subject to audit by us. In such case the amount of the actual Aggregate Deductible will be determined at the end of the policy period by using such Rate and the actual amount of the Exposure. But, the actual Aggregate Deductible will not be less than the Aggregate Deductible shown in the Schedule.

You must compile and keep, with the exercise of reasonable care, records of the information we need for determining the amount of the actual Aggregate Deductible. You must promptly provide this information to us in a format and at intervals agreed by us or within 60 days of any request made by us.

You must promptly pay any additional amounts of the actual Aggregate Deductible as determined by our audit.

Deductible Obligations (Excess And Reimbursement)

This insurance applies to amounts in excess of Deductibles, and ultimately, you are obligated for amounts within Deductibles, regardless of whether we pay or incur amounts within Deductibles.

Deductibles apply to the amounts first paid or incurred for "damages/loss" and "deductible expenses" (to which this insurance would apply but for the Deductible) as such amounts are first paid or incurred.

If we pay or incur any "damages/loss" or "deductible expenses" within any Deductible, then you must promptly reimburse us for all such "damages/loss" and "deductible expenses." Regardless of whether we pay any "damages/loss," you must promptly reimburse us for all "deductible expenses" within any Deductible.

The first named insured shown in the Declarations agrees, and is authorized, to promptly reimburse us for any and all reimbursable amounts (relative to this insurance or any other insurance issued by us or an affiliate of ours including any antecedent insurance). Each named insured is jointly and severally liable for any and all such amounts.

Reference Copy

Liability Insurance

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Failure to promptly reimburse us (relative to this insurance or any other insurance issued by us or an affiliate of ours including any antecedent insurance) shall be deemed an event of nonpayment of premium.

Investigation, Defense, Settlements And Rights Of Recovery

Regardless of the application of any Deductible:

- A. the terms and conditions of this insurance continue to apply, including those with respect to:
 - 1. our rights to investigate any claim or "event" and to make any settlements; and
 - 2. the insured's duties in the event of any claim, "event" or suit.
- B. we may, at our discretion, initiate or participate in an appeal of a judgment, if such judgment may result in a payment under this insurance.
- C. our rights of recovery against others continue to apply. Any amount recovered will be apportioned as follows:
 - 1. first, we shall receive all amounts recovered until we have been fully reimbursed for all amounts we have paid or incurred (including costs or expenses of such recovery proceedings) in connection with amounts that exceed any Deductible.
 - 2. then, remaining amounts recovered will be applied to reimburse you and us, in accordance with the respective interests in connection with amounts within any Deductible (including costs or expenses of such recovery proceedings).

Working Funds And Security Interests

In addition to the premium for this insurance, you must promptly pay us in cash the amount of any working fund deposit (or any amount necessary to maintain such working fund deposit) that we may require.

You must promptly deliver to us any other security interest that we may require, in the types and the amounts acceptable to us.

We may apply any working fund deposit and any security interest to any insured's obligations (relative to this insurance or any other insurance issued by us or an affiliate of ours including any antecedent insurance).

We may review at any time any working fund deposit and any security interest (relative to this insurance or any other insurance issued by us or an affiliate of ours including any antecedent insurance). If we determine that an increase in any working fund deposit or security interest is required, then you must promptly provide such increase to us.

Reference Copy

Liability Endorsement

(continued)

If you fail to comply with any of the provisions of this Deductible section, then we may liquidate any working fund deposit or security interest and take ownership of the proceeds to the extent of any and all insureds' debts to us or affiliates of ours. The surplus of such proceeds in excess of such debts will remain in our possession as security interest until the termination of all insureds' reimbursement obligations, as determined by us.

Failure to promptly deliver or maintain any working fund deposit or security interest (relative to this insurance or any other insurance issued by us or an affiliate of ours including any antecedent insurance) shall be deemed an event of nonpayment of premium.

The following provision is added to Limits Of Insurance.

Limits Of Insurance

All payments made within the Deductible will not reduce the Limits Of Insurance.

As used in this endorsement, the following words and phrases have special meanings as described below.

Deductible Definitions

"Damages/Loss"

"Damages/loss" refers to damages or other indemnity as described under the applicable Coverage, other than "deductible expenses." Deductibles applying to bodily injury include damages and any medical expenses.

"Deductible Expenses"

"Deductible expenses" refers to the following expenses as described under the applicable insurance:

- A. attorney and paralegal fees and salaries (including those of attorneys and paralegals who are our employees).
- B. expenses relating to a suit, including the cost of expert witnesses, transcripts, court reporters, research reports and depositions.
- C. the cost of:
 - 1. bail bonds; or
 - 2. bonds required to:
 - a. appeal judgements (in connection with the initiation and continuation of an appeal agreed to by us); or
 - b. release attachments.
- D. costs taxed against the insured in a suit.

Reference Copy

Endorsement

Policy Number 3579-64-71 DAL

"Event"

Schedule

Aggregate Deductible: Not Applicable

All other terms and conditions remain unchanged.

Authorized Representative

Q. W. L.

Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverages under this contract.

Exclusion Endorsement

Scheduled Products Or Classes Of Products

With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any defect, deficiency, inadequacy or dangerous condition in, (including the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of) any:

- A. good, product or material described in the Schedule Of Goods, Products Or Materials, in any form, including its presence or use in any alloy, by-product, compound or other material or waste (waste includes material to be recycled, reconditioned or reclaimed);
- B. good, product or material that has the same or substantially the same chemical formula as any good, product or material described in subparagraph A. above, by whatever name known;
- C. good, product or material that is a derivative of any good, product or material described in subparagraphs A. or B. above, by whatever name known; or
- D. class of products described in the Schedule Of Classes Of Products, by whatever name known.

Schedule Of Goods, Products Or Materials

Cisapride

Diethylstilbestrol (DES)

Reference Copy

Liability Endorsement
(continued)

Ephedra or Ephedrine

Fenfluramine

Isotretinoin

Latex

L-tryptophan

Phenylpropanolamine (PPA)

Thalidomide

Schedule Of Classes Of Products

Birth control or fertility goods or products

Hormone replacement products

Selective Serotonin Reuptake Inhibitor (SSRI) products

Vaccines

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Bodily Injury/Property Damage Exclusions, the following exclusion is added:

Bodily Injury/Property Damage Exclusions

*Products-Completed
Operations Hazard*

This insurance does not apply to **bodily injury** or **property damage** included within the **products-completed operations hazard**.

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Conditions, the following provision is added to the condition titled Other Insurance.

Conditions

*Other Insurance -
Primary, Noncontributory
Insurance - Scheduled
Person Or Organization*

If you are obligated, pursuant to a written contract or agreement, to provide the person or organization described in the Schedule (that is also included in the Who Is An Insured section of this contract) with primary insurance such as is afforded by this policy, then this insurance is primary and we will not seek contribution from insurance available to such person or organization.

Schedule

H.D. SMITH WHOLESALE DRUG

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added:

Who Is An Insured

Scheduled Person Or Organization

Subject to all of the terms and conditions of this insurance, any person or organization shown in the Schedule, acting pursuant to a written contract or agreement between you and such person or organization, is an **insured**; but they are **insureds** only with respect to liability arising out of your operations, or your premises, if you are obligated, pursuant to such contract or agreement, to provide them with such insurance as is afforded by this policy.

However, no such person or organization is an **insured** with respect to any:

- assumption of liability by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.
- representation or warranty unauthorized by you.
- chemical or physical change in **your product** made intentionally by the person or organization.
- damages arising out of their sole negligence.
- reckless or willful violation of any law or regulation.
- of **your product** which, after distribution or sale by you, have been labeled or relabeled or used as a container, ingredient or part of any other substance or thing by or for the person or organization. This limitation does not apply to such relabeling of **your product** in the regular course of dispensing or furnishing the required amount or dosage of such product.

Liability Endorsement
(continued)

Further, no person or organization from whom you have acquired **your product**, or any container, ingredient or part entering into, accompanying or containing **your product**, is an **insured** under this provision.

Schedule

MCKESSON CORPORATION AND / ITS SUCCESSORS
1 POST STREET
SAN FRANCISCO, CA 94104

All other terms and conditions remain unchanged.

Authorized Representative



Liability Insurance

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Limits Of Insurance, the provision titled Payments that Reduce The Limits Of Insurance is deleted and replaced by the following.

Limits Of Insurance

Payments That Reduce The Limits Of Insurance

- A. With respect to all Coverages under this contract, any payments we make for any of the following will reduce the Limits Of Insurance:
- **claimants costs.**
 - cost or expenses for **cleanup.**
 - damages.
 - **medical expenses.**
- B. Further, with respect to the Coverages described in the Schedule, any payments we make for **claim adjustment expenses** will also reduce the Limits Of Insurance.
- C. Except for payments described as reducing the Limits Of Insurance in paragraphs A. and B. above, payments we make under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract will not reduce the Limits Of Insurance.

Schedule

Hazardous Substances/Pollution Liability Coverage - Time
Element Basis

Liability Endorsement
(continued)

All other terms and conditions remain unchanged.

Authorized Representative

A handwritten signature in black ink, appearing to be "R. M. W.", is written over a horizontal line.

Foreign Voluntary Work Comp Section

Declarations

Reference Copy

Intl Workers' Compensation Insurance

Schedule of Forms

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued OCTOBER 11, 2012

The following is a schedule of forms issued as of the date shown above:

<i>Form Number</i>	<i>Edition Date</i>	<i>Form Name</i>	<i>Effective Date</i>	<i>Date Issued</i>
80-02-0129	12-99	INTL WORKERS' COMPENSATION DECLARATION	08/19/12	10/11/12
80-02-2053	7-10	INTERNATIONAL WORKERS' COMPENSATION INSURANCE	08/19/12	10/11/12

Reference Copy

last page

International Workers' Compensation Insurance

Contract

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International Workers' Compensation Insurance

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Throughout this contract the words "you" and "your" refer to the Named **Insured** shown in the Declarations of this policy, and any other person or organization qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the company providing this insurance.

In addition to the Named **Insured**, other persons or organizations qualify as **insureds**. Those persons or organizations and the conditions which they qualify are identified in the Who Is Insured section of this contract.

Who Is Insured

Employer

If you are an employer, you are an **insured**.

Subsidiaries Or Newly Acquired Or Formed Organizations

If there is no other similar insurance available, the following will qualify to be a named **insured**:

- any financially controlled subsidiary of yours; or
- any organization you newly acquire or form during the policy period, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest. This coverage is effective on the acquisition or formation date and is afforded only until the end of the policy period during which the acquisition or formation took place.

No subsidiary or newly acquired or formed organization is an **insured** with respect to any employee's **bodily injury** by accident or disease, including **endemic disease** that occurred before you acquired or formed the organization.

Coverage

International Voluntary Workers' Compensation

Subject to the compensation, medical and other benefits specified in the **workers' compensation law** of the State(s) or Province(s) shown in the Declarations, we will pay benefits, at your option and on your behalf, to your **internationalexecutive employees** for any **bodily injury** by accident or disease, including **endemic disease**. We will pay in the same manner as if such **international executive employees** would be covered under the provisions of said law or laws.

We will also pay benefits, subject to the compensation, medical and other benefits specified in the **country of origin compensation law**, at your option and on your behalf, to your **other internationalemployees** for any **bodily injury** by accident or disease, including **endemic disease**. We will pay in the same manner as if such **other internationalemployees** would be covered under the provisions of said law or laws.

We will also pay, at your option and on your behalf, to your **internationalexecutive employees** and **other internationalemployees** the compensation, medical and other benefits, in lieu of voluntary payments, for which you become legally obligated to pay by reason of liability imposed by law for **bodily injury** by accident or disease, including **endemic disease** under the provisions of a **workers' compensation law** or **country of origin compensation law** of jurisdictions other than the voluntary statutory jurisdictions shown in the Declarations.

Reference Copy

Coverage

International Voluntary Workers' Compensation (continued)

This insurance applies to your **international executive employees** and **other international employees** employed by you in the **United States** while traveling outside the **United States** on a 24-hour basis. **International executive employees** and **other international employees** employed by you in a country other than the **United States** are covered on an employment-only basis, while working in the country to which they are assigned, but on a 24-hour basis while traveling outside the country to which they are assigned.

This insurance applies to:

- **bodily injury** by accident to your **international executive employees** and **other international employees** which occurs during the policy period;
- **bodily injury** by disease, including **endemic disease**, to your **international executive employees** and **other international employees** which is caused by or aggravated by the conditions of your employment;
- **bodily injury** by disease, including **endemic disease**, to your **international executive employees** and **other international employees** in which the employee's last day of last exposure to the conditions causing or aggravating such **bodily injury** by disease, including **endemic disease**, occurs during the policy period; and
- bodily injury by endemic disease to your international executive employees and other international employees as if it were occupational in nature and as if it were included in the provisions of the respective workers' compensation law or country of origin compensation law.

Repatriation Expense

Subject to the applicable Limits Of Insurance, we will pay, at your option and on your behalf, reasonable repatriation or relocation expenses over and above **normal transportation costs** made necessary due to **bodily injury** by accident or disease, including **endemic disease**, to your **international executive employees**, **other international employees** or **local national employees**, including repatriation or relocation expenses associated with accompanying spouse and children during temporary business travel provided that:

- the relocation or repatriation is from the country of **bodily injury** to a destination in any other country other than the country of **bodily injury**, including the **United States**; and
- the relocation or repatriation is necessary, in the opinion of competent medical authorities.

We will also pay, subject to the applicable Limits Of Insurance, the following expenses related to the death of your **international executive employees**, **other international employees**, **local national employees**, accompanying spouse or child:

- the cost of embalment to meet **United States** or other applicable health standards; and
- all reasonable expenses of transportation to return the remains of the deceased to the country of burial or funeral.

This insurance for repatriation expense applies when the request for repatriation or relocation first occurs during the policy period. All requests for repatriation in connection with the same **bodily injury** by accident or disease, including **endemic disease**, will be deemed to have been made at the time the first request for repatriation or relocation is made to us.

Reference Copy

International Workers' Compensation Insurance

Coverage (continued)

Employer's Liability

Subject to the applicable Limits Of Insurance, we will pay damages you become legally obligated to pay by reason of liability imposed by law because of **bodily injury** by accident or disease, including **endemic disease**, to your **international executive employees, other international employees and local national employees**, provided that the **bodily injury** by accident or disease, including **endemic disease**, arises out of and in the course of the injured employee's employment by you.

The damages we will pay, where recovery is permitted by law, include damages:

- for which you are liable to a third party by reason of a claim, proceeding or **suit** against you by that third party to recover the damages claimed against such third party as a result of **bodily injury** by accident or disease, including **endemic disease**, to your **international executive employees, other international employees and local national employees**;
- for care and loss of services;
- for consequential **bodily injury** to a spouse, parent, child, brother or sister of your injured **international executive employees, other international employees and local national employees**;

provided that these damages are the direct consequence of **bodily injury** by accident or disease, including **endemic disease**, that arises out of and in the course of the injured **international executive employee, other international employee or local national employee** employment by you; and

- because of **bodily injury** by accident or disease, including **endemic disease**, to your **international executive employees, other international employees and local national employees** that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

This insurance applies to:

- bodily injury by accident to your international executive employees, other international employees and local national employees which occurs during the policy period;
 - bodily injury by disease, including endemic disease, to your international executive employees, other international employees and local national employees which is caused by or aggravated by the conditions of your employment; and
 - **bodily injury** by disease, including **endemic disease**, to your **international executive employees, other international employees and local national employees** in which the employee's last day of last exposure to the conditions causing or aggravating such **bodily injury** by disease, including **endemic disease**, occurs during the policy period.
-

Reference Copy

Limits Of Insurance

The Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- **insureds**;
- claims made, proceedings or **suits** brought; or
- persons or organizations making claims or bringing proceedings, or **suits**.

The Limits Of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

International Voluntary Workers' Compensation Limit

The most we will pay under International Voluntary Workers' Compensation Coverage is the statutory benefits that would have been provided under the applicable **workers' compensation law** or **country of origin compensation law**.

Repatriation Expense Aggregate Limit

Subject to the Repatriation Expense Each Person Limit, the Repatriation Expense Aggregate Limit is the most we will pay for the sum of all repatriation expenses under Repatriation Expense Coverage and arising out of **bodily injury** by accident or disease, including **endemic disease**, regardless of the number of employees or accompanying spouses or children who sustain such **bodily injury**.

Repatriation Expense Each Person Limit

The Repatriation Expense Each Person Limit is the most we will pay for the sum of all repatriation expenses under Repatriation Expense Coverage arising out of **bodily injury** by accident or disease, including **endemic disease**, to an **international executive employee, other international employee, local national employee**, or accompanying spouse or child.

Any amount paid for repatriation expenses arising out of **bodily injury** by accident or disease, including **endemic disease**, to an employee, accompanying spouse or child will reduce the amount of the applicable Repatriation Expense Aggregate Limit available for payment of repatriation expenses arising out of any other **bodily injury** by accident or disease, including **endemic disease**.

If the applicable Repatriation Expense Aggregate Limit has been reduced by payment of repatriation expenses to an amount that is less than the Repatriation Expense Each Person Limit stated in the Declarations, the remaining Repatriation Expense Aggregate Limit is the most that will be available for payment of repatriation expenses arising out of any other **bodily injury** by accident or disease, including **endemic disease**.

Employer's Liability Bodily Injury By Accident Each Accident Limit

The Employer's Liability Bodily Injury By Disease Each Employee Limit is the most we will pay for the sum of all damages under Employer's Liability Coverage arising out of **bodily injury** by disease, including **endemic disease**, to any one employee.

Bodily injury by disease, including **endemic disease**, is not **bodily injury** by accident unless it results directly from **bodily injury** by accident.

Subject to the Employer's Liability Bodily Injury By Disease Each Employee Limit, the Employer's Liability Bodily Injury By Disease Aggregate Limit is the most we will pay for the sum of all damages under Employer's Liability Coverage arising out of **bodily injury** by disease, including **endemic disease**, regardless of the number of employees who sustain **bodily injury** by disease, including **endemic disease**.

Reference Copy

International Workers' Compensation Insurance

Limits Of Insurance

(continued)

Employer's Liability Bodily Injury By Disease Each Employee Limit

The Employer's Liability Bodily Injury By Disease Each Employee Limit is the most we will pay for the sum of all damages under Employer's Liability Coverage arising out of **bodily injury** by disease, including **endemic disease**, to any one employee.

Bodily injury by disease, including **endemic disease**, does not include disease that results directly from **bodily injury** by accident.

Any amount paid for damages arising out of **bodily injury** by disease, including **endemic disease**, to an employee will reduce the amount of the applicable Employer's Liability Bodily Injury By Disease Aggregate Limit available for payment of damages arising out of any other **bodily injury** by disease, including **endemic disease**.

If the applicable Employer's Liability Bodily Injury By Disease Aggregate Limit has been reduced by payment of damages to an amount that is less than the Employer's Liability Bodily Injury By Disease Each Employee Limit shown in the Declarations, the remaining Employer's Liability Bodily Injury By Disease Aggregate Limit is the most that will be available for payment of damages arising out of any other **bodily injury** by disease, including **endemic disease**.

Investigation, Defense And Payment Of Benefits And Damages

International Voluntary Workers' Compensation

We will have the right and duty to defend, at our expense, any international voluntary workers' compensation claim, proceeding or **suit** against you for benefits payable by this insurance under **workers' compensation law** or **country of origin compensation law**, except in a **non-admitted jurisdiction**. We have the right to investigate and settle this claim, proceeding or **suit**. However, we will have no duty to defend a claim, proceeding or **suit** that is not covered by this insurance.

The amount we will pay for benefits is limited as described in Limits Of Insurance.

We have no further obligation or liability to pay sums or perform acts or services unless explicitly provided for under Supplementary Payments shown below.

Employer's Liability

We will have the right and duty to defend, at our expense, any employer's liability claim, proceeding or **suit** against you for damages payable by this insurance, except in a **non-admitted jurisdiction**. We have the right to investigate and settle this claim, proceeding or **suit**. However, we will have no duty to defend a claim, proceeding or **suit** that is not covered by this insurance. We may at our discretion investigate any **bodily injury** by accident or disease, including **endemic disease**, and settle any claim, proceeding or **suit** that may result.

The amount we will pay for damages is limited as described in Limits Of Insurance. Our rights and duty to defend end when we have used up the applicable Limit Of Insurance in the payment of judgments or settlements.

We have no further obligation or liability to pay sums or perform acts or services unless explicitly provided for under Supplementary Payments shown below.

Reference Copy

Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any proceeding or **suit** against an **insured** we defend, or you defend after consultation with us:

- reasonable expenses incurred at our request, but not loss of earnings;
- premiums for bonds to release attachment, and for appeal bonds in bond amounts up to the amount payable under **workers' compensation law** or **country of origin compensation law** or the Limit Of Insurance stated in the Declarations for Employer's Liability;
- litigation costs taxed against you;
- interest on a judgment as required by law until we offer the amount due under this insurance; and
- expenses we incur.

These payments will not reduce the Limits Of Insurance.

Coverage Territory

Where legally permissible, this insurance applies to **bodily injury** by accident or disease, including **endemic disease**, arising out of and in the course of employment outside the **United States** and to **bodily injury** by accident or disease, including **endemic disease**, arising out of and in the course of temporary employment in the **United States**.

Employer's Liability Coverage does not apply in the United Kingdom or Ireland, unless the employees are traveling to the United Kingdom or Ireland on a temporary basis.

International Voluntary Workers' Compensation And Repatriation Expense Exclusions

Excess Benefits Payments

This insurance does not apply to any payments for which you are responsible in excess of the statutory benefits regularly provided by the applicable **workers' compensation law** or **country of origin compensation law**, including those required because:

- of your serious and willful misconduct;
- you knowingly employ an employee in violation of law;
- you fail to comply with a health or safety law or regulation; or
- you discharge, coerce or otherwise discriminate against any employee in violation of the applicable **worker's compensation law** or **country of origin compensation law**.

If we make any payments in excess of the benefits regularly provided by the **workers' compensation law** or **country of origin compensation law** on your behalf, you will reimburse us promptly.

Reference Copy

International Workers' Compensation Insurance

Employer's Liability Exclusions

Contractual Liability

This insurance does not apply to **bodily injury** for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to a warranty that your work will be done in a workman like manner.

Employment Discrimination

This insurance does not apply to **bodily injury** arising out of the discharge of, coercion of or discrimination against any employee in violation of law.

Intentional Acts

This insurance does not apply to **bodily injury** intentionally caused or aggravated by you.

Longshore And Harborworkers Act

This insurance does not apply to **bodily injury** including **endemic disease**, sustained by:

- a master or crew member of any vessel;
- an employee in the course of any employment subject to the Longshore and Harbor Workers' Compensation Act (33 USCA Sections 901-950); the Defense Base Act (42 USCA Sections 1651-1654); or the War Hazards Compensation Act (42 USCA Sections 1701-1706; Sections 1711-1717); or
- a member of the flying crew of an aircraft.

Punitive Or Exemplary Damages

This insurance does not apply to any obligation to pay punitive or exemplary damages because of **bodily injury** to an employee in violation of a law.

Willful Violations

This insurance does not apply to **bodily injury** to an employee employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers.

Workers' Compensation And Similar Laws

This insurance does not apply to any obligation imposed by a workers' compensation, occupational disease, unemployment compensation or disability benefits law or any similar law.

Conditions

Arbitration

We are entitled to exercise all of the **insured's** rights in the choice of arbitrators and the conduct of any arbitration proceeding, except when the proceeding is between the **insured** and us.

Bankruptcy

Bankruptcy or insolvency of the **insured** or the **insured's** estate will not relieve us of any obligation to which this insurance applies.

Reference Copy

Conditions

(continued)

Compulsory Admitted Insurance

This insurance is not a substitute for **compulsory admitted** insurance in any jurisdiction, whether or not this insurance would qualify as **compulsory admitted** insurance in a given jurisdiction or is accepted by the appropriate authorities as proof of **compulsory admitted** insurance.

You alone have the duty under this insurance to arrange for your **compulsory admitted** insurance. You agree to have in force **compulsory admitted** insurance for the coverages and limits of insurance that are necessary to satisfy the legal requirements of any jurisdiction. Unless otherwise stated, if you do not arrange for your **compulsory admitted** insurance, we shall only be liable to you to the same extent as if you had arranged for such **compulsory admitted** insurance.

Concealment Or Misrepresentation

This insurance is void if you or any other **insured** intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

Currency Provision

We will pay any loss in the same currency as the currency of the Limits Of Insurance stated in the Declarations, unless otherwise provided.

When payment of a loss involves any currency other than that of the Limits Of Insurance shown in the Declarations, we will convert the value of the loss to the currency of the Limits Of Insurance shown in the Declarations at the free rate of exchange as published by *The Wall Street Journal*, as of the date of loss, or, for ongoing disability or medical payments as of the date of the respective payment.

After we make any conversion from another currency, we will apply all other terms of this policy to determine the amount of our final loss obligation.

At our sole option and upon your request, or the request of the injured employee or his dependents, we may also pay loss under this policy in any currency.

Duties In the Event Of Injury, Claim, Proceeding Or Suit

- A. You must see to it that we are notified as soon as practicable of any **bodily injury**, claim, proceeding or **suit**, which may be covered by this policy, as soon as it comes to the attention of an officer (or designee), Risk Manager or Insurance Manager of your headquarters in the **United States** or Canada. To the extent possible, notice should include:
 - 1. how, when and where the **bodily injury** took place;
 - 2. the names and addresses of any injured persons and witnesses.
- B. If a claim is made, proceeding or **suit** is brought against any **insured**, you must:
 - 1. immediately record the specifics of the claim, proceeding or suit and the date received; and
 - 2. notify us in writing as soon as practicable.
- C. You and any other involved **insured** must:
 - 1. provide for immediate medical and other services required by the applicable **workers' compensation law** or **country of origin compensation law**;
 - 2. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim, proceeding or **suit**;
 - 3. authorize us to obtain records and other information;

Reference Copy

International Workers' Compensation Insurance

Conditions

Duties In the Event Of Injury, Claim, Proceeding Or Suit (continued)

4. cooperate with us in the:
 - a. investigation or settlement of the claim; or
 - b. defense of a proceeding or **suit**; and
 5. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply; and
 6. do nothing after an injury that would interfere with our rights of recovery from others.
- D. No **insured** will, except at that **insured**'s own cost, make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- E. Notice given by or on behalf of the **insured**, the injured person, or any other claimant and given to:
1. any licensed agent of ours;
 2. any of our authorized representatives in the **United States** or Canada;
 3. any member company of the Chubb Group of Insurance Companies; or
 4. any **authorized correspondent**
- with particulars sufficient to identify the **insured**, shall be deemed notice to us.
- F. Notice may also be given, by contacting our International Workers' Compensation Claims Manager at:
- Chubb & Son, a Division of Federal Insurance Company
15 Mountain View Road
Warren, NJ 07059
USA
- FACSIMILE: 1-800-884-3946
- TELEPHONE: 1-800-699-9916
- G. Knowledge of any **bodily injury** by any agent or employee of the **insured** will not constitute knowledge by the **insured**, unless an officer (or designee), Risk Manager or Insurance Manager of your headquarters in the **United States** or Canada receives such notice from its agent or employee.
- H. Failure of an agent or employee of the **insured**, other than an officer (or designee), Risk Manager or Insurance Manager of your headquarters in the **United States** or Canada, to notify us of any **bodily injury** which he or she knows about will not affect the insurance afforded you by this contract.

Joint Duties In A Non - Admitted Jurisdiction Or Where We Do Not Exercise Our Right To Defend

For a claim, proceeding or **suit** to which this insurance applies that arises in a **non-admitted jurisdiction** or anywhere we do not exercise our right to defend a claim, proceeding or **suit**, we will consult with you and with any other **insured**.

You or any other **insured** must:

- make such investigation, defense or settlement as we deem reasonable;

Reference Copy

Conditions

Joint Duties In A Non - Admitted Jurisdiction Or Where We Do Not Exercise Our Right To Defend (continued)

- obtain our approval for any payment; and
 - effect approved payments to others, in accordance with the terms of this insurance.
- We retain the right to assume control of any investigation, defense, settlement or recovery proceedings. You or any other **insured** have the duty to cooperate with us in these proceedings.

Legal Action Against Us

No person or organization has a right under this insurance:

- to join us as a party or otherwise bring us into a proceeding or **suit** asking for damages from an **insured**; or
- to sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after:

- an actual trial in a civil proceeding;
- an arbitration proceeding; or
- an alternative resolution proceeding.

But we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable Limits Of Insurance.

Liberalization

If we adopt any policy changes while this insurance is in force (or within 45 days prior to its effective day) which would broaden or extend this insurance without an additional premium charge, you will automatically receive the benefit of the broadened coverage.

Other Insurance

International Voluntary Workers' Compensation

This insurance is intended to be primary insurance for your covered employees if **bodily injury** arises out of and in the course of employment by you outside the **United States**.

If an injured **international executive employee** or **other international employee** is eligible for workers' compensation benefits under the laws of countries other than the **United States** or other than the **country of origin** to which the employee would be eligible under this insurance, we will not require that said employee or his dependents file claim under that foreign program as a precondition to filing claim under this policy.

If an injured employee or his dependents, as described above, actually file claim and receive benefits under such other workers' compensation or social security plan, whether private or state sponsored, then we will not pay more than the difference, if any, between the benefits received or payable under that foreign plan and the benefits payable under the applicable workers' compensation laws of:

- the **United States**;
- the **country of origin**; or
- any other country for which you become liable.

We will only pay such difference when the amount of benefit under the foreign plan has been determined and we have satisfactory evidence of such determination.

Reference Copy

International Workers' Compensation Insurance

Conditions

Other Insurance (continued)

Employer's Liability

If your **admitted** employer's liability insurance responds to a claim, proceeding or **suit**, we will provide excess insurance. If your **admitted** employer's liability insurance does not respond to a claim, proceeding or **suit** for which this insurance grants coverage, we will provide primary insurance.

If you do not have in force **admitted** employer's liability insurance, we will provide primary insurance for a claim, proceeding or **suit** for which this policy grants coverage.

We will not pay more than our share of damages and costs covered by this insurance and other insurance or self-insurance, including self-insurance which results from your failure to comply with **compulsory admitted** employer's liability insurance requirements, if any. Subject to any Limits Of Insurance that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self-insurance will be equal until the loss is paid.

Payments To First Named Insured

All losses and other payments will, at our option, be payable to the first named **insured** without regard to the first named **insured**'s obligations to others. We will not be responsible for the proper application of any payment we make to the first named **insured**. If we make payment to any **insured** other than the first named **insured**, such payment will be treated as though made to the first named **insured**. We will also not be liable for loss sustained by one **insured** to the advantage of any other **insured**.

Premium Audit

The premium for this insurance is stated in the Premium Statement.

If the premium for this insurance is based upon the number of trips made outside the **United States** then you will give us an estimate of the number of trips and, at our option, the length of trips for the upcoming year.

If the premium for this insurance is based on payroll, the entire gross remuneration estimated to be earned by all covered employees shall be disclosed to us. This remuneration includes cost of living, housing allotments, and other such cash benefits as form part of the overseas compensation package of your employees.

You may elect which employees (including partners, if any) of your company fall within the coverage categories of this insurance by allocating the appropriate payroll amounts for premium purposes.

The premium shown on this statement is a deposit premium only. You shall maintain records of the information necessary for premium computation and shall send copies to us at such times during or after the policy period as we may direct.

You will let us examine and audit all your records that relate to this insurance. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records and programs for storing and disbursing data. We may conduct the audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to develop the final premium.

Reference Copy

Conditions

(continued)

Reimbursements To The Insured

We can request you, on our behalf, to make payment directly to any person entitled thereto. Upon receipt of proof of payment, we will reimburse you for any such payments. In a **non-admitted jurisdiction** we can ask you to investigate, defend and settle claims, proceedings and suits involving your employees. We will reimburse you for the reasonable cost of such investigation, defense and settlement.

In most cases, we will make payments directly, at your option and on your behalf. We will make voluntary payments only on condition that the employee or dependents receiving such payment execute a full release of all claims against you on account of such injuries or disease as may be required by us and, in addition executed an assignment to us of any right of action which they may have against any person, firm, corporation or estate, other than you, who is or may be liable for such injury. If we collect by virtue of such assignment an amount in excess of the voluntary payments made or agreed to be made, we will be entitled to, and shall retain from the amount recovered, our expenses incident to such recovery and the amount of payments made or agreed to be made. We will pay any remaining balance of the amount recovered to the person or persons executing such assignments. We will have full power and discretion to proceed against the party at fault or settle with such party upon such terms as may seem desirable to us, either without litigation or during pendency thereof.

Separation Of Insureds

Except with respect to the Limits Of Insurance and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or proceeding or **suit** is brought.

Transfer Of Rights Of Recovery

If the **insured** has rights to recover all or part of any payment we have made under this insurance, 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.

Reference Copy

International Workers' Compensation Insurance

Contract

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT.

Admitted

Admitted means any contract of insurance that:

- is issued by a state fund, sovereign state fund or an insurer licensed or permitted by law to do business in the jurisdiction of the employee's citizenship;
- is issued to you or any other **insured**; or
- is issued to someone (other than you or any other **insured**) covering your interests.

Admitted does not include any contract of insurance specifically obtained to apply in excess of the Limits Of Insurance shown in the Declarations of this policy.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or claimant's legal representative.

Authorized Correspondent

Authorized correspondent means any privately controlled insurer, other than a member company of the Chubb Group of Insurance Companies, that we indicate is our correspondent, but only for each specific insurance transaction we authorize.

Bodily Injury

Bodily injury means physical:

- injury;
- sickness; or
- disease,

sustained by a person and, if arising out of the foregoing, mental anguish, mental injury, shock, humiliation or death at any time.

Compulsory Admitted

Compulsory admitted means any **admitted** insurance that is required to be in force to satisfy the legal requirements of a given jurisdiction.

Country Of Origin

Country of origin means any country (except the **United States**) of which your **other internationalemployee** is a citizen.

Country Of Origin Compensation Laws

Country of origin compensation laws means:

- the workers' compensation law, social security law and any occupational disease law of any sovereign state other than the **United States**, from which your employee or partner is voluntarily offered, under this insurance, workers' compensation benefits based on citizenship; or
- the workers' compensation law and related laws, as described above, of any sovereign state (except the **United States**) for which you become liable to pay workers' compensation benefits on a basis other than the citizenship of your covered employees or partners.

Reference Copy

Definitions

Country Of Origin Compensation Laws (continued)

Country of origin compensation laws does not mean:

- provisions for non-occupational disability benefits; or
- **compulsory admitted** workers' compensation insurance.

Endemic Disease

Endemic disease means an infectious disease, including diseases which are borne by air, arthropods (i.e. arachnids, crustaceans, insects), blood, food or water, provided that the disease:

- is indigenous to a particular region outside the **United States**; or
- occurs in epidemic proportion outside the **United States**.

Insured

Insured means any person or organization qualifying as an **insured** under the Who Is Insured provision and against whom claim is made or proceeding or **suit** is brought.

International Executive Employee

International executive employee means any partner assigned by you, or employee hired or assigned by you, to work outside the **United States**, provided that you choose, under this insurance, to offer voluntarily to said partner or employee the statutory workers' compensation benefits of the **workers' compensation law** of any jurisdiction of the **United States** except those workers' compensation benefits governed by federal statutes.

Local National Employee

Local national employee means any partner assigned by you, or employee hired or assigned by you, to work outside the **United States** provided that you do not choose, under this insurance, to offer voluntarily to said partner or employee any workers' compensation benefits. **Local national employees** are, however, included in your Repatriation Expense and Employer's Liability Coverages of this contract.

Non-admitted Jurisdiction

Non-admitted jurisdiction means any jurisdiction where we are not licensed or permitted by law to issue insurance or are prevented by law or otherwise from investigating, settling or defending a claim, proceeding or **suit**.

Normal Transportation Costs

Normal transportation costs mean the cost of transporting an employee in good health, and in conformance with your business travel policy, from the country of injury or sickness to a given country of relocation or repatriation.

Other International Employee

Other international employee means any partner assigned by you, or employee hired or assigned by you, to work outside the **United States** provided that you choose, under this insurance, to offer voluntarily to said partner or employee the statutory workers' compensation benefits of the **country of origin compensation laws** of the respective partner or employee.

Reference Copy

International Workers' Compensation Insurance

Definitions

(continued)

Suit

Suit means a civil proceeding in which damages because of **bodily injury** to which this insurance applies are alleged. **Suit** also includes:

- an arbitration proceeding in which such damages are claimed and to which the **insured** must submit or does submit with our consent; or
- any other alternative dispute resolution proceeding in which such damages are claimed and to which the **insured** submits with our consent.

United States

United States means the United States of America, its territories and possessions, including American Samoa, Guam, the U.S. Virgin Islands, the Commonwealth of the Northern Mariana Islands and the Commonwealth of Puerto Rico.

United States does not include:

- the Federated States of Micronesia;
- the Republic of the Marshall Islands; or
- the Republic of Palau.

The Federated States of Micronesia and the Republic of the Marshall Islands are former U.S. trust territories, now independent nations. The Republic of Palau is not subject to U.S. laws, but is at present a U.S. trust territory.

Workers' Compensation Law

Workers' compensation law means the workers' compensation law and any occupational disease law of any jurisdiction of the **United States** which you voluntarily designate in the Declarations, or those of any jurisdiction of the **United States** for which you become liable.

Workers' compensation law does not mean:

- federal workers' compensation statutes, the inclusion of which may be arranged by amendment to this insurance;
- provisions for non-occupational disability benefits; and
- **compulsory admitted** workers' compensation insurance.

Reference Copy

International Workers' Compensation Insurance

Declarations

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

Issued by the stock insurance company indicated below, herein called the company.

**FEDERAL INSURANCE
COMPANY**

Producer No. 0024843

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

Incorporated under the laws of
INDIANA

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Coverage

Covered Persons

Limits of Insurance

**INTERNATIONAL VOLUNTARY
WORKERS' COMPENSATION**

International Executive Employees

STATUTORY - according to
the Laws of the State(s) or
Province(s) as declared:
State of Hire

REPATRIATION EXPENSE

Aggregate Limit	\$ 500,000
Each Person Limit	\$ 250,000

EMPLOYER'S LIABILITY

Bodily Injury By Accident - Each Accident Limit	\$ 1,000,000
Bodily Injury By Disease - Aggregate Limit	\$ 1,000,000
Bodily Injury By Disease - Each Employee Limit	\$ 1,000,000

Auto DIC Section

Declarations

Reference Copy

Auto DIC Insurance

Schedule of Forms

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued OCTOBER 11, 2012

The following is a schedule of forms issued as of the date shown above:

<i>Form Number</i>	<i>Edition Date</i>	<i>Form Name</i>	<i>Effective Date</i>	<i>Date Issued</i>
80-02-0130	5-00	INTERNATIONAL AUTO LIABILITY DECLARATION	08/19/12	10/11/12
80-02-2054	5-00	INTERNATIONAL AUTOMOBILE LIABILITY	08/19/12	10/11/12
80-02-2497	5-00	HIRED AND NON-OWNED	08/19/12	10/11/12

Reference Copy

last page

International Auto Liability Insurance

Declarations

Named Insured and Mailing Address

PAMLAB INC.
P.O. BOX 8950
MANDEVILLE, LA 70470

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Policy Number 3579-64-71 DAL

Effective Date AUGUST 19, 2012

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No. 0024843

Producer STONE INSURANCE, INC.
1502 W.CAUSEWAY APPROACH
MANDEVILLE, LA 70471-0000

*Incorporated under the laws of
INDIANA*

Policy Period

From: AUGUST 19, 2012 To: AUGUST 19, 2013
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Coverage

Limit Of Insurance

BODILY INJURY AND PROPERTY DAMAGE

EACH OCCURRENCE LIMIT

\$ 1,000,000

AUTO MEDICAL EXPENSE

EACH PERSON LIMIT

\$ 10,000

Reference Copy

International Auto Liability

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International Auto Liability

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Throughout this contract the words "you" and "your" refer to the Named **Insured** shown in the Declarations of this policy, and any other person or organization qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the company providing this insurance.

In addition to the Named **Insured**, other persons or organizations qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is Insured section of this contract.

Who Is Insured

You You are an **insured** for any **covered auto**.

Permissive Users Of A Covered Auto

Any person while using a **covered auto** with your permission and in connection with your business is an **insured**.

With respect to any **covered auto**, the following are not included as **insureds**:

- A. any person or organization from whom you lease, hire, rent or borrow a **covered auto**, except for the owner of a trailer connected to an **owned auto** that is used with your permission and in connection with your business;
- B. any owner of a **covered auto** except where the **covered auto** is loaned with your permission and in connection with your business and is owned by:
 - 1. you;
 - 2. your **household member**;
 - 3. an employee;
 - 4. a business partner of yours; or
 - 5. a **household member** of an employee or a business partner of yours; or
- C. any person or organization using a **covered auto** while working in a business of selling, servicing, repairing or parking **autos**, unless that business is yours.

Other Persons Liable For The Conduct Of An Insured

Any person who is not excluded under Permissive Users Of A Covered Auto and who is liable for the conduct of an **insured** is an **insured**, but only to the extent of that liability.

Reference Copy

Coverage

Bodily Injury And Property Damage

Subject to the applicable Limits Of Insurance, we will pay damages the **insured** becomes legally obligated to pay by reason of liability imposed by law or assumed under an **insured auto contract** for **bodily injury** or **property damage** to which this insurance applies caused by an **occurrence** arising out of the maintenance or use in your business of any **covered auto**.

This insurance applies to **bodily injury** or **property damage** which occurs during the policy period.

Damages for **bodily injury** include damages claimed by any person or organization for care or loss of services resulting at any time from the **bodily injury**.

Damages for **property damage** which result in loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the **occurrence** that caused it.

Difference In Conditions

Subject to the applicable Limits Of Insurance and the provisions of this policy, the coverages contained in this policy apply except when there is in force locally procured **auto** insurance. In such case, subject to the applicable Limits of Insurance and the provisions of this policy, we will pay damages the **insured** becomes legally obligated to pay by reason of liability imposed by law or assumed under an **insured auto contract** for **bodily injury** or **property damage** to which this insurance applies caused by an **occurrence** arising out of the maintenance or use in your business of any **covered auto** that is not covered under any other insurance.

In no event will we pay damages:

- for coverages broader than the coverages provided by this policy; or
- which increases the liability of the member companies of the Chubb Group of Insurance Companies or any **authorized correspondent**.

Auto Medical Expense

Subject to the applicable Limits Of Insurance, we will pay all **auto medical expenses** incurred by you or each of your **household members** who sustain **bodily injury** caused by an **occurrence** and arising from an **auto**.

Subject to the applicable Limits Of Insurance, we will also pay all **auto medical expenses** incurred by any one else who sustains **bodily injury** caused by an **occurrence** and arising from a **covered auto**.

All **auto medical expenses** must be incurred and reported to us within three years from the date of the **occurrence**.

The **occurrence** must take place during the policy period.

The injured person must submit to examination, at our expense, by physicians of our choice as often as we reasonably require.

Reference Copy

International Auto Liability

Extension of Coverage

Other Kinds Of Insurance

Subject to the applicable Limits of Insurance, the following Extension Of Coverage is included under your Bodily Injury And Property Damage Coverage.

While a **covered auto** is away from the jurisdiction where it is licensed, we will provide the kinds of insurance (such as no-fault) not otherwise provided by this insurance and that are required under the **compulsory admitted** insurance imposed by the jurisdiction where the **occurrence** takes place.

While a **covered auto** is away from the jurisdiction where it is licensed, and if the terms and conditions required by the **compulsory admitted** insurance imposed by the jurisdiction where the **occurrence** takes place are contrary to the terms and conditions of this insurance, the terms and conditions of such **compulsory admitted** insurance shall be controlling, but only with regard to this Other Kinds of Insurance extension.

Limits Of Insurance

The Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- **insureds**;
- claims made or **suits** brought; or
- persons or organizations making claims or bringing **suits**.

The Limits Of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

Bodily Injury And Property Damage Limit

The Bodily Injury and Property Damage Limit shown in the Declarations is the most we will pay for the sum of all **bodily injury** and **property damage** arising out of any one **occurrence**, in any jurisdiction, regardless of the number of **covered autos** or other vehicles involved in the **occurrence**.

Reference Copy

Limits Of Insurance

(continued)

Bodily Injury And Property Damage And Other Kinds Of Insurance Extension of Limit – Outside Licensed Jurisdiction

While a **covered auto** is away from the jurisdiction in which it is licensed, we will increase the Bodily Injury and Property Damage Limit shown in the Declarations of this insurance by up to a maximum of \$1,000,000 to contribute to or meet, but not exceed, any greater limits of **compulsory admitted** insurance for a **covered auto** required by the jurisdiction where the **occurrence** takes place.

Subject to the maximum limit increase of \$1,000,000 as stated above, we will increase the Bodily Injury and Property Damage Limit shown in the Declarations of this insurance by:

- the difference between the Bodily Injury and Property Damage Limit shown in the Declarations of this insurance and that of the applicable **compulsory admitted** insurance in the jurisdiction where the **occurrence** takes place; or
- the difference between the applicable **compulsory admitted** insurance limit in the jurisdiction in which the **covered auto** is licensed and that of the required **compulsory admitted** insurance limit in the jurisdiction where the **occurrence** takes place,

whichever is less.

Unless otherwise stated, this increase in the Bodily Injury and Property Damage Limit shown in the Declarations of this insurance is excess insurance.

The above maximum limit increase of up to \$1,000,000 will include Other Kinds of Insurance (such as no-fault) not otherwise provide by this insurance, to contribute to or meet, but not exceed, minimum limits of **compulsory admitted** insurance for such insurance for the **covered auto** imposed by the jurisdiction where the **occurrence** takes place. Unless otherwise stated, this insurance is excess insurance.

We will not pay more than once for the same elements of loss because of this extension.

Auto Medical Expense Limit

The Auto Medical Expense Limit shown in the Declarations is the most we will pay under Auto Medical Expense coverage for **auto medical expenses** caused by any one **occurrence** because of **bodily injury** sustained by any person regardless of the number of **covered autos** or vehicles involved in the **occurrence**.

Threshold Advance

The Threshold Advance shown in the Declarations is the most you will be required to pay in advance for the sum of all damages and Supplementary Payments during the policy period, in any **non-admitted jurisdiction**, as set forth in Advances or Reimbursements For Damages and Supplementary Payments. When the amount of damages or Supplementary Payments exceeds the Threshold Advance, we will advance our portion of such damages or Supplementary Payments to you or any other **insured**, in accordance with the provisions of this insurance.

Reference Copy

International Auto Liability

Investigation, Defense, And Payment Of Damages

When this insurance is primary, we will have the right and duty to defend, any **insured** against a suit seeking damages to which this insurance applies.

We will have the right, but not the duty, to defend any **insured** against a **suit** seeking damages to which this insurance applies in a **non-admitted jurisdiction**.

However, we will have no duty to defend any **insured** against a **suit** seeking damages to which this insurance does not apply.

When this insurance is excess, we will have no duty to defend any **insured** against a **suit** seeking damages to which this insurance applies when another insurer has a duty to defend. If no other insurer defends:

- we will undertake to defend any **suit** seeking damages to which this insurance applies in any jurisdiction, other than a **non-admitted jurisdiction**; or
- at our option, we may undertake to defend any **suit** seeking damages to which this insurance applies in any **non-admitted jurisdiction**.

We will be entitled to the **insured**'s rights against all those other insurers.

We may at our discretion investigate any **occurrence** to which this insurance applies; and settle any claim or **suit** that may result.

If we do not exercise our right to defend any **suit** seeking damages to which this insurance applies, we will advance or reimburse funds to you or any other **insured**, in accordance with the Advances Or Reimbursements For Damages and Supplementary Payments provisions of this contract.

The amount we will pay for damages is limited as described in Limits Of Insurance.

When we have used up the applicable amount of insurance available in payment of judgments or settlements, we will have no further obligation or liability to pay sums or perform acts or services. This applies both to claims or **suits** pending at that time and those filed thereafter.

Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any **suit** against an **insured** we defend, or you defend after agreement by us:

- all expenses we incur;
- at our sole option, up to \$2000 for the 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;
- at our sole option, the premium amount of bonds to release attachments, but only for premium amounts within the amount of insurance available;
- reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings up to \$300 a day because of time off from work;

Reference Copy

Supplementary Payments

(continued)

- costs taxed against the **insured** in the **suit**;
- prejudgment interest awarded against the **insured** on the part of that judgment we pay. If we make an offer to pay the Limits Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer; and
- all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the Limits Of Insurance.

These payments will not reduce the Limits Of Insurance.

When we have used up the applicable amount of insurance available in payment of judgments or settlements, we will have no further obligation or liability to pay Supplementary Payments incurred after such time.

Coverage Territory

This insurance applies anywhere in the world outside the **United States** and Canada. However, the **insured**'s responsibility to pay damages to which this insurance applies must be determined in a **suit** on the merits, either inside or outside the **United States** or Canada or in a settlement we agree to.

Bodily Injury And Property Damage Exclusions

Care, Custody Or Control

This insurance does not apply to **property damage** to property owned or transported by the **insured** or in the **insured**'s care, custody or control.

This exclusion does not apply to liability assumed under a sidetrack agreement.

Completed Operations

This insurance does not apply to **bodily injury** or **property damage** arising out of **your work** after that work has been completed or abandoned.

Your work will be deemed completed at the earliest of the following times:

- when all of the work called for in your contract has been completed;
- when all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- when that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

Reference Copy

International Auto Liability

Bodily Injury And Property Damage Exclusions

(continued)

Contractual Liability

This insurance does not apply to **bodily injury** or **property damage** for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages:

- that the **insured** would have in the absence of the contract or agreement; or
- assumed in an oral or written contract or agreement that is an **insured auto contract**, provided the **bodily injury** or **property damage** occurs subsequent to the execution of the contract or agreement.

When a claim for such **bodily injury** or **property damage** is made in any jurisdiction, other than a **non-admitted jurisdiction**, we will undertake to defend that claim provided the **insured** has assumed the obligation to defend such claim in the **insured auto contract**. Such defense payments will not reduce the Limits Of Insurance.

Employee Indemnification And Employer's Liability

This insurance does not apply to **bodily injury** to:

- A. an employee of the **insured** arising out of and in the course of:
 - 1. employment by the **insured**; or
 - 2. performing duties related to the conduct of the **insured**'s business; or
- B. the spouse, child, parent, brother or sister of that employee as a consequence of A. above.

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.

This exclusion does not apply to **bodily injury** to domestic employees not entitled to workers compensation benefits or to liability assumed by the **insured** under an **insured auto contract**.

Expected Or Intended Injury

This insurance does not apply to **bodily injury** or **property damage** which results from an act that:

- is intended by the **insured**; or
- can be expected from the standpoint of a reasonable person

to cause **bodily injury** or **property damage**, even if the injury or damage is of a different degree or type than actually intended or expected.

Reference Copy

**Bodily Injury And
Property Damage
Exclusions**
(continued)

Fellow Employee

This insurance does not apply to **bodily injury** to any fellow employee of the **insured** arising out of and in course of the fellow employee's employment.

Handling Of Property

This insurance does not apply to **bodily injury** or **property damage** resulting from the handling of property:

- before it is moved from the place where it is accepted by the **insured** for movement into or onto the **covered auto**; or
- after it is moved from the **covered auto** to the place where it is finally delivered by the **insured**.

*Movement Of Property By
Mechanical Device*

This insurance does not apply to **bodily injury** or **property damage** resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the **covered auto**.

Nuclear Energy

This insurance does not apply to:

A. **bodily injury** or **nuclear property damage**:

1. with respect to which an **insured** under this policy is also an **insured** under a nuclear energy liability policy issued by:
 - a. Nuclear Energy Liability Insurance Association, American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors;
 - b. any similar insurer or association of insurers in any jurisdiction;
 - c. any sovereign nation, or agency or political subdivision thereof; or
 - d. any multinational government agency or institution; orwith respect to which an **insured** under this policy would be an **insured** under any such nuclear energy liability policy but for its termination upon exhaustion of its Limits Of Insurance; or
2. resulting from the **hazardous properties** of **nuclear material** and with respect to which:
 - a. any person or organization is required to maintain financial protection pursuant to:
 - i) the U.S. Atomic Energy Act of 1954, or any law amendatory thereof; or
 - ii) any similar law or directive of:
 - 1) any other sovereign nation, or agency or political subdivision thereof; or

Reference Copy

International Auto Liability

Bodily Injury And Property Damage Exclusions

Nuclear Energy (continued)

- 2) any multinational government agency or institution; or
 - b. the **insured** is, or had this policy not been issued would be, entitled to indemnity from:
 - i) the **United States**, or any agency thereof;
 - ii) any other sovereign nation, or agency or political subdivision thereof; or
 - iii) any multinational government agency or institution,
all under any agreement entered into by the United States of America, or any agency thereof, or by such other sovereign nations, agencies, political subdivisions or institutions as apply, with any person or organization; and
- B. **bodily injury or nuclear property damage** resulting from the **hazardous properties of nuclear material** if:
 1. the **nuclear material**:
 - a. is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured**;
or
 - b. has been discharged or dispersed therefrom;
 2. the **nuclear material** is contained in **spent fuel** or **nuclear waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any **insured**; or
 3. the **bodily injury or nuclear property damage** 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**.

Operations

This insurance does not apply to **bodily injury** or **property damage** arising out of the operation of any equipment listed in paragraphs F.2. and F.3. of the definition of **mobile equipment**.

Pollution

- A. This insurance does not apply to **bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:
 1. that are, or that are contained, in any property that is:
 - a. being transported or towed by, or handled for movement into, onto or from, the **covered auto**;
 - b. otherwise in the course of transit by the **insured**; or
 - c. being stored, disposed of, treated or processed in or upon the **covered auto**;
 2. before the **pollutants** or any property in which the **pollutants** are contained are moved from the place where they are accepted by the **insured** for movement into or onto the **covered auto**; or

Reference Copy

Bodily Injury And Property Damage Exclusions

Pollution (continued)

3. after the **pollutants** or any property in which the **pollutants** are contained are moved from the **covered auto** to the place where they are finally delivered, disposed of or abandoned by the **insured**.
- B. This insurance does not apply to any loss, cost or expense arising out of any governmental claim, **suit**, direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, extract or in any way respond to, or assess the effects of **pollutants**.

Paragraph A.1.c. does not apply to fuels, lubricants, fluids, exhaust gases or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the **covered auto** or its parts, if:

- A. the **pollutants** escape or are discharged, dispersed or released directly from an **auto** part designed by its manufacturer to hold, store, receive or dispose such **pollutants**; and
- B. the **bodily injury** or **property damage** does not arise out of the operation of any equipment listed in paragraphs F.2. and F.3. of the definition of **mobile equipment**.

Paragraphs A.2. and A.3. of this exclusion do not apply if:

- A. the **pollutants** or any property in which the **pollutants** are contained are upset, overturned or damaged as a result of the maintenance or use of a **covered auto** and
- B. the discharge, dispersal, release or escape of the **pollutants** is caused directly by such upset, overturn or damage.

Statutory Obligations To Employees

This insurance does not apply to any obligation for which the **insured** or the **insured's** insurer may be held liable under:

- a workers' compensation, disability benefits or unemployment compensation law, or any similar law providing benefits for death, sickness, disease, injury, disability or unemployment;
- a law providing social security or employment retirement income security benefits; or
- an **employment severance law**.

War

This insurance does not apply to **bodily injury** or **property damage** due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

Auto Medical Expense Exclusions

Auto Related Business

This insurance does not apply to **auto medical expenses** arising out of **bodily injury** to any person while working in a business of selling, servicing, repairing or parking **autos**, unless that business is yours.

Reference Copy

International Auto Liability

Auto Medical Expense Exclusions (continued)

Bodily Injury To Your Employee

This insurance does not apply to **auto medical expenses** arising out of **bodily injury** to an **insured** who is your employee arising out of and in the course of employment by you.

This exclusion does not apply to **auto medical expenses** arising out of **bodily injury** to an **insured** who is an employee of yours not entitled to workers' compensation benefits.

Nuclear Energy

This insurance does not apply to **auto medical expenses** arising out of **bodily injury** resulting from the **hazardous properties** of **nuclear material** and arising out of the operation of a **nuclear facility** by any person or organization.

Unauthorized Use

This insurance does not apply to **auto medical expenses** arising out of **bodily injury** to anyone using a vehicle without a reasonable belief that the person is entitled to do so.

Vehicle Used As A Premises

This insurance does not apply to **auto medical expenses** arising out of **bodily injury** sustained by an **insured** while in, upon, getting in, on, out or off a vehicle located for use as a premises.

Conditions

Advances Or Reimbursements For Damages And Supplementary Payments

We will advance or reimburse funds to you or any other **insured**, as set forth below, for payment of damages or Supplementary Payments incurred by you or any other **insured**, to which this insurance applies, when such damages or Supplementary Payments result from a claim or **suit** where:

- the claim or **suit** takes place in a **non-admitted jurisdiction**;
- we do not exercise our right to defend a claim or **suit** seeking damages to which this insurance applies; or
- by mutual agreement with you or any other **insured**, or by court order, you or any other **insured** assume control of the defense of a claim or **suit** seeking damages to which this insurance applies.

We will reimburse funds to you or any other **insured** to pay our portion of such damages or Supplementary Payments when they are less than or equal to the Threshold Advance shown in the Declarations of this insurance. We will make such reimbursements in a jurisdiction that is mutually acceptable.

We will advance funds to you or any other **insured** to pay our portion of such damages or Supplementary Payments when they are greater than the Threshold Limit of Insurance. We will make such advancements in a jurisdiction that is mutually acceptable.

We will advance or reimburse funds until we have used up the Limits Of Insurance available, as provided under Investigation, Defense And Payment Of Damages.

Reference Copy

Conditions

(continued)

Arbitration

We are entitled to exercise all of the **insured**'s rights in the choice of arbitrators and the conduct of any arbitration proceeding, except when the proceeding is between the **insured** and us.

Bankruptcy

Bankruptcy or insolvency of the **insured** or the **insured**'s estate will not relieve us of any obligation to which this insurance applies.

Compulsory Admitted Insurance

This insurance is not a substitute for **compulsory admitted** insurance in any jurisdiction, whether or not this insurance would qualify as **compulsory admitted** insurance in a given jurisdiction or is accepted by the appropriate authorities as proof of **compulsory admitted** insurance.

You alone have the duty under this insurance to arrange for **compulsory admitted** insurance for you, any other **insured** and any **covered auto**:

- that satisfies the **compulsory admitted** insurance requirements of the jurisdiction where your **covered auto** is licensed; or
- when away from the jurisdiction where your **covered auto** is licensed, that satisfies the **compulsory admitted** insurance requirements of that jurisdiction.

Unless otherwise stated, if you do not arrange for **compulsory admitted** insurance, we shall only be liable to you to the same extent as if you had arranged for such **compulsory admitted** insurance.

Whether or not we make any payment under the terms and conditions of this policy for **compulsory admitted** insurance for which we are liable, this insurance is not a substitute for **compulsory admitted** insurance.

Concealment Or Misrepresentation

This insurance is void if you or any other **insured** intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

Currency Provision

We will pay any loss in the same currency as the currency of the Limits Of Insurance stated in the Declarations, unless otherwise provided.

When payment of a loss involves any currency other than that of the Limits Of Insurance shown in the Declaration, we will convert the value of the loss to the currency of the Limits Of Insurance shown in the Declarations at the free rate of exchange as published by *The Wall Street Journal*, as of the date of loss, or, for ongoing payments as of the date of the respective payment.

After we make any conversion from another currency, we will apply all other terms of this insurance to determine the amount of our final loss obligation,

At our sole option, and upon your request, we will also pay loss covered by this insurance in any currency.

Reference Copy

International Auto Liability

Conditions

(continued)

Duties In The Event Of Occurrence Claim Or Suit

- A. You must see to it that we are notified as soon as practicable of an **occurrence** which may result in a claim or **suit**. To the extent possible, notice should include:
1. how, when and where the **occurrence** took place;
 2. the names and addresses of any injured persons and witnesses; and
 3. the nature and location of any injury or damage arising out of the **occurrence**.
- B. If a claim is made or **suit** is brought against any **insured**, you must:
1. immediately record the specifics of the claim or **suit** and the date received; and
 2. notify us in writing as soon as practicable.
- C. You and any other involved **insured** must:
1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 2. authorize us to obtain records and other information;
 3. cooperate with us in the:
 - a. investigation or settlement of the claim or
 - b. defense of the **suit**; and
 4. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply.
- D. No **insured** will, except at that **insured**'s own cost, make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- E. Notice given by or on behalf of the **insured**, the injured person or any other claimant and given to any licensed agent of ours with particulars sufficient to identify the **insured**, shall be deemed notice to us.
- F. Notice may also be given, by contacting our Multinational Claim Unit at:
- Chubb Group of Insurance Companies
One Financial Center
Boston, Massachusetts 02111
- EMAIL: MCU@Chubb.Com
- FACSIMILE: 1-877-200-5202
- TELEPHONE: 1-877-200-5200
- VIA INTERNET: <http://www.chubb.com>
click on *Report a Loss* and then on *Multinational
Claim Notification and Information or Status Request*.
- G. Knowledge of an **occurrence** by any agent or employee of the **insured** will not constitute knowledge by the **insured**, unless an officer or his or her designee receives such notice from its agent or employee.
- H. Failure of any agent or employee of the **insured**, other than an officer or his or her designee to notify us of any **occurrence** which he or she knows about will not affect the insurance afforded you by this contract.

Reference Copy

Conditions

Duties In The Event Of Occurrence Claim Or Suit (continued)

- I. If the **insured** reports any **occurrence** as Workers Compensation claim which later develops into a liability claim, the failure to report such **occurrence** to us will not violate this provision provided the **insured** gives us immediate notice as soon as they are made aware of the fact that the **occurrence** is a claim under this contract.

Joint Duties In A Non-Admitted Jurisdiction Or Where We Do Not Exercise Our Right To Defend

For an **occurrence**, claim or **suit** to which this insurance applies that arises in a **non-admitted jurisdiction** or anywhere we do not exercise our right to defend a claim or **suit**, we will consult with you and with any other **insured**.

You or any other **insured** must:

- make such investigation, defense or settlement as we deem reasonable;
- obtain our approval for any payment; and
- effect approved payments to others, in accordance with the terms of this insurance.

We retain the right to assume control of any investigation, defense, settlement or recovery proceedings. You or any other **insured** have the duty to cooperate with us in these proceedings.

Legal Action Against Us

No person or organization has a right under this insurance:

- to join us as a party or otherwise bring us into a **suit** asking for damages from an **insured**; or
- to sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after:

- an actual trial in a civil proceeding;
- an arbitration proceeding; or
- an alternative resolution proceeding,

but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable Limits Of Insurance.

Liberalization

If we adopt any policy changes while this insurance is in force (or within 45 days prior to its effective day) which would broaden or extend this insurance without an additional premium charge, you will automatically receive the benefit of the broadened coverage.

Other Insurance

If **admitted** insurance or **other non-admitted** insurance is available to the **insured** for a loss to which this insurance applies, our obligations are limited.

If a loss to which this insurance applies would have been paid, in whole or in part, under any **compulsory admitted** insurance that is not available to the **insured** for any **owned auto** while in the jurisdiction where it is licensed, in accordance with any **compulsory admitted** insurance of that jurisdiction, our obligations are limited.

Reference Copy

International Auto Liability

Conditions

Other Insurance (continued)

Our obligations are limited as follows:

A. Excess Insurance

This insurance is excess of any **admitted** insurance whether primary, excess, contingent or on any other basis, that is:

- **compulsory admitted** insurance available to the **insured** for any **covered auto** while in any jurisdiction; or
- **compulsory admitted** insurance not available to the **insured** for any **owned auto** while in the jurisdiction where it is licensed, in accordance with any **compulsory admitted** insurance of that jurisdiction.

When this insurance is excess as described above, we will pay only our share of the amount of the loss that exceeds the sum of:

1. the total sum of all **compulsory admitted** insurance available to the **insured** for any **covered auto** while in any jurisdiction pays for the loss in the absence of this insurance; or
2. the total amount of all **compulsory admitted** insurance not available to the **insured** for any **owned auto** while in the jurisdiction where it is licensed, in accordance with any **compulsory admitted** insurance of that jurisdiction, would pay for the loss in the absence of this insurance; and
3. the total of all deductible amounts under all **compulsory admitted** insurance stated in A.1. and A.2. above.

B. Primary Insurance

This insurance is primary except when A. above applies. If this insurance is primary, our obligations are not affected unless any of the **admitted** insurance or **other non-admitted** insurance is also primary. Then, we will share with all that other insurance by the method described in C. below.

C. Method of Sharing

If all **admitted** insurance or **other non-admitted** insurance permits contribution by equal share, we will also follow this method. Under this method, each insurer contributes equal amounts until it has paid its applicable Limits Of Insurance or none of the loss remains, whichever comes first.

If any other **admitted** insurance or **other non-admitted** insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limits Of Insurance to the total applicable Limits of Insurance of all insurers.

Payments To First Named Insured

All losses and other payments will, at our option be payable to the first named **insured** without regard to the first named **insured**'s obligations to others. We will not be responsible for the proper application of any payment we make to the first named **insured**. If we make payment to any **insured** other than the first named **insured**, such payment will be treated as though made to the first named **insured**. We will also not be liable for loss sustained by one **insured** to the advantage of any other **insured**.

Reference Copy

Conditions

(continued)

Premium Audit

The premium for this insurance is stated in the Premium Statement.

If the premium for this insurance is based upon the number of trips made outside the **United States** and Canada, then you will give us an estimate of the number of trips and, at our option, the length of trips for the upcoming year.

If the premium for this insurance is based on the number of **owned autos**, the number of **owned autos** shall be disclosed to us.

The premium shown on the Premium Statement is a deposit premium only. You shall maintain records of the information necessary for premium computation and shall send copies to us at such times during or after the policy period as we may direct.

You will let us examine and audit all our records that relate to this insurance. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records and programs for storing and disbursing data. We may conduct the audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to develop the final premium.

Separation Of Insureds

Except with respect to the Limits Of Insurance and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or **suit** is brought.

Transfer Of Rights Of Recovery

Other than for any **auto medical expenses**, if you or any other **insured** have rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. You or any other **insured** must do nothing after loss to impair them. At our request, you or any other **insured** will bring legal action to enforce such rights or transfer those rights to us and help us enforce them.

You alone may waive your rights against another party in writing:

1. prior to loss; or
2. after a loss only if, at the time of loss, that party is one of the following:
 - a. someone **insured** by this insurance;
 - b. an individual who owns or controls the majority of capital stock of an **insured**; or
 - c. a related business firm:
 - (1) majority-owned or controlled by an **insured**; or
 - (2) that owns or controls the majority of capital stock of an **insured**.

However, you may not waive any of your rights against any individual or entity described in paragraph 2. above, to the extent that there is collectable **admitted** insurance or **other non-admitted** insurance maintained by any such individual or entity with an insurer other than us.

Reference Copy

International Auto Liability

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Admitted

Admitted means any contract of insurance that is issued:

- by a state fund, sovereign state fund or an insurer licensed or permitted by law to do business in the jurisdiction where the **occurrence** took place; and
- to you or any other **insured**; or
- to someone (other than you or any other **insured**) covering your interests.

Admitted does not include any contract of insurance specifically obtained to apply in excess of the Limits Of Insurance stated in the Declarations of this policy.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Authorized Correspondent

Authorized correspondent means any privately controlled insurer, other than a member company of the Chubb Group of Insurance Companies, that we indicate is our correspondent, but only for each specific insurance transaction we authorize.

Auto

Auto means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But **auto** does not include **mobile equipment**.

Auto Medical Expense

Auto medical expense means reasonable expenses for:

- first aid at the time of an **occurrence**;
- necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- necessary ambulance, hospital, professional nursing and funeral services.

Bodily Injury

Bodily injury means physical:

- injury,
- sickness, or
- disease

sustained by a person and, if arising out of the foregoing, mental anguish, mental injury, shock, humiliation or death at any time.

By-Product Material

By-product material means the meanings given to them by the U.S. Atomic Energy Act of 1954 or in any law amendatory thereof.

Reference Copy

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**Comity Of Nations**

Comity of nations means the recognition accorded by the courts of one nation to the laws and judicial decisions of another, granted as a matter of deference when there is no legal obligation to do so.

Compulsory Admitted

Compulsory admitted means any **admitted** insurance that is required to be in force to satisfy the legal requirements of a given jurisdiction.

Covered Auto

Covered auto means any **owned auto**, **hired auto** or **non-owned auto**.

Employment Severance Law

Employment severance law means any law that obliges an employer to pay an established amount of compensation or benefits to a present or former employee, partner, director or trustee as a result of the voluntary or involuntary termination of the employment of that present or former employee, partner, director or trustee.

Hazardous Properties

Hazardous properties means radioactive, toxic or explosive properties.

Hired Auto

Hired auto means any **auto** leased, hired or rented by you or any other **insured** for a period less than sixty (60) consecutive days.

Household Member

Household member means:

- any person related to you, an employee or your business partner by blood, marriage, or adoption, including a ward or foster child, who resides with you, an employee or your business partner during the policy period; or
- any person employed by you, an employee or your business partner during the policy period, as a domestic employee whom you, an employee or business partner compensates by salary or wage and have the right to govern and direct in the performance of such household service.

Insured

Insured means any person or organization qualifying as an **insured** under the Who Is Insured provisions and against whom claim is made or **suit** is brought.

Reference Copy

International Auto Liability

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Insured Auto Contract

Insured auto contract means:

- a lease of premises;
- a sidetrack agreement;
- any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- an obligation as required by ordinance, to indemnify a municipality, except in connection with work for a municipality
- that part of any contract or agreement entered into, as part of your business, by you or any of your employees pertaining to the rental or lease of any **covered auto**; or
- that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the **tort liability** of another party to pay for **bodily injury** or **property damage** to a third person or organization.

An **insured auto contract** does not include that part of any contract or agreement:

- that is entered into after an **occurrence**;
- that holds a person or organization engaged in the business of transporting property by **auto** harmless for you or any **insured's** use of a **covered auto** over a route or territory that person or organization is authorized to serve by public authority.

Long Term Hired Auto

Long term hired auto means any **auto** leased, hired or rented by you for sixty (60) consecutive days or longer.

Mobile Equipment

Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:

- A. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- B. vehicles maintained for use solely on or next to premises you own, rent or occupy;
- C. vehicles that travel on crawler treads;
- D. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - 1. power cranes, shovels, loaders, diggers or drills; or
 - 2. road construction or resurfacing equipment such as graders, scrapers or rollers;

Reference Copy

Definitions**WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:****Mobile Equipment**
(continued)

- E. vehicles not described in A., B., C. or D. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
1. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 2. cherry pickers and similar devices used to raise or lower workers; and
- F. Vehicles not described in A., B., C. or D. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but will be considered **autos**:

1. equipment designed primarily for:
 - a. snow removal;
 - b. road maintenance, but not construction or resurfacing; or
 - c. street cleaning;
2. cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
3. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

Non-admitted Jurisdiction

Non-admitted jurisdiction means any jurisdiction where we are not licensed or permitted by law to issue insurance or are prevented by law or otherwise from investigating, settling or defending an **occurrence**, claim or **suit**.

Non-owned Auto

Non-owned auto means:

- any **auto**, other than an **owned auto** or **hired auto**; or
- **mobile equipment** while being carried or towed by a **covered auto**.

Nuclear Facility

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 **nuclear waste**;

Reference Copy

International Auto Liability

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Nuclear Facility (continued)

- C. **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 **nuclear 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 operation.

Nuclear Material

Nuclear material means **source material**, **special nuclear material** or **by-product material**.

Nuclear Property Damage

Nuclear property damage means **property damage** including all forms of radioactive contamination of property.

Nuclear Reactor

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.

Nuclear Waste

Nuclear waste means any waste material:

- containing **by-product material** other than the tailings or waste material produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
- 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.

Occurrence

Occurrence means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

Other Non-admitted

Other non-admitted means any contract of insurance that:

- is issued by a state fund or an insurer not licensed or permitted by law to do business in the jurisdiction where the property or exposure to loss is located; and
- is issued to you or any other **insured**; or
- is issued to someone (other than you or any other **insured**) covering your interests.

Other non-admitted does not include:

- this contract of insurance; or
- any contract of insurance specifically obtained to apply in excess of the Limits of Insurance stated in the Declarations of this insurance.

Reference Copy

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**Owned Auto**

Owned auto means:

- any **auto** you own,
- any **long term hired auto**, or
- any trailers you do not own while attached to any **auto** you own or **long term hired auto**.

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be disposed of, recycled, reconditioned or reclaimed.

Property Damage

Property damage means:

- physical injury to tangible property including the resulting loss of use of that property; or
- loss of use of tangible property that is not physically injured.

Source Material

Source material means the meanings given to them by the U.S. Atomic Energy Act of 1954 or in any law amendatory thereof.

Special Nuclear Material

Special nuclear material means the meanings given to them by the U.S. Atomic Energy Act of 1954 or in any law amendatory thereof.

Spent Fuel

Spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

Suit

Suit means a civil proceeding in which damages because of **bodily injury** or **property damage** to which this insurance applies are alleged. **Suit** also includes an arbitration proceeding alleging such damages to which the **insured** must submit or submits with our consent.

Suit also includes a civil proceeding seeking recognition or enforcement of an unsatisfied civil judgment rendered against the **insured**. This civil proceeding must take place outside the jurisdiction where the civil judgment was entered and be based upon:

- bilateral treaties between sovereign nations;
- multinational conventions; or
- **comity of nations**.

Tort Liability

Tort liability means liability that would be imposed by law in the absence of any contract or agreement.

Reference Copy

International Auto Liability

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

United States

United States means the United States of America, its territories and possessions, including American Samoa, Guam, the U.S. Virgin Islands, the Commonwealth of the Northern Mariana Islands and the Commonwealth of Puerto Rico.

United States does not include:

- the Federated States of Micronesia;
- the Republic of the Marshall Islands; or
- the Republic of Palau.

The Federated States of Micronesia and the Republic of the Marshall Islands are former U.S. trust territories, now independent nations. The Republic of Palau is not subject to U.S. laws, but is at present a U.S. trust territory.

Your Work

Your work means:

- work or operations performed by you or on your behalf; and
- materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
- the providing of or failure to provide warnings or instructions.

Reference Copy

Auto DIC Section***Endorsements*****Reference Copy**

International Auto Liability Insurance

Endorsement

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued OCTOBER 11, 2012

This Endorsement applies to the following forms:

INTERNATIONAL AUTOMOBILE LIABILITY

Under Definitions, the definition titled Covered Autos is deleted and replaced by the following:

Definitions

Covered Auto

Covered auto means any **hired auto** or **non-owned auto**.

Under Who Is Insured, the provision titled Permissive Users Of A Covered Auto is deleted and replaced by the following:

Who Is Insured

Permissive Users Of A Covered Auto

Any person while using a **covered auto** with your permission and in connection with your business is an **insured**.

With respect to any **covered auto**, the following are not included as **insureds**:

- A. any person or organization from whom you lease, hire, rent or borrow a **covered auto**;
- B. any owner of a **covered auto**; or
- C. any person or organization using a **covered auto** while working in a business of selling, servicing, repairing or parking **autos**, unless that business is yours.

Reference Copy

Under Conditions, the provision titled Other Insurance is deleted and replaced with the following:

Conditions

Other Insurance

If **admitted** insurance or **other non-admitted** insurance is available to the **insured** for a loss to which this insurance applies, our obligations are limited.

Our obligations are limited as follows:

A. Excess Insurance

This insurance is excess of any **admitted** insurance whether primary, excess, contingent or on any other basis, that is **compulsory admitted** insurance available to the **insured** for any **covered auto** while in any jurisdiction.

When this insurance is excess as described above, we will pay only our share of the amount of the loss that exceeds the sum of:

1. the total sum of all **compulsory admitted** insurance available to the **insured** for any **covered auto** while in any jurisdiction pays for the loss in the absence of this insurance; and
2. the total of all deductible amounts under all **compulsory admitted** insurance stated in A.1. above.

B. Primary Insurance

This insurance is primary except when A. above applies. If this insurance is primary, our obligations are not affected unless any of the **admitted** insurance or **other non-admitted** insurance is also primary. Then, we will share with all that other insurance by the method described in C. below.

C. Method of Sharing

If all **admitted** insurance or **other non-admitted** insurance permits contribution by equal share, we will also follow this method. Under this method, each insurer contributes equal amounts until it has paid its applicable Limits Of Insurance or none of the loss remains, whichever comes first.

If any other **admitted** insurance or **other non-admitted** insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limits Of Insurance to the total applicable Limits of Insurance of all insurers.

All other terms and conditions remain unchanged.

Authorized Representative



Reference Copy

Common Policy Conditions Section

Reference Copy

Policy Conditions

Schedule of Forms

Policy Period AUGUST 19, 2012 TO AUGUST 19, 2013

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Insured PAMLAB INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued OCTOBER 11, 2012

The following is a schedule of forms issued as of the date shown above:

<i>Form Number</i>	<i>Edition Date</i>	<i>Form Name</i>	<i>Effective Date</i>	<i>Date Issued</i>
80-02-9001	6-98	HOW TO REPORT A LOSS	08/19/12	10/11/12
80-02-9090	6-05	COMMON POLICY CONDITIONS	08/19/12	10/11/12
80-02-9301	2-98	NAMED INSURED	08/19/12	10/11/12
80-02-9729	4-11	LA MAND-CANCL COND & WHEN WE DO NOT RENEW	08/19/12	10/11/12
80-02-9748	2-04	LOUISIANA MANDATORY - REMOVAL OF AGENT	08/19/12	10/11/12
80-02-9779	3-11	NOTICE OF CANCEL SCHED PERSONS/ORG EXCPT NP	08/19/12	10/11/12
80-02-9800	12-08	INSURING AGREEMENT	08/19/12	10/11/12
99-10-0732	12-07	NOTICE TO POLICYHOLDERS-TRIPRA	08/19/12	10/11/12
99-10-0792	9-04	IMPORTANT NOTICE - OFAC	08/19/12	10/11/12
99-10-0872	6-07	AOD POLICYHOLDER NOTICE	08/19/12	10/11/12

Reference Copy

last page

Common Policy Conditions

Contract

Conditions

The following Conditions are included under each part of the policy, unless stated otherwise.

Audit Of Books And Records

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

Cancellation

The first named insured may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

We may cancel this policy or any of its individual coverages at any time by sending to the first named insured a notice 60 days (20 days in the event of non-payment of premium) in advance of the cancellation date. Our notice of cancellation will be mailed to the first named insured's last known address, and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

Changes

This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorized representatives.

Compliance By Insureds

We have no duty to provide coverage under this policy unless you and any other involved insured have fully complied with all of the terms and conditions of the policy.

Compliance With Applicable Trade Sanctions

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

Conformance

Any terms of this insurance which are in conflict with the applicable statutes of the State in which this policy is issued are amended to conform to such statutes.

First Named Insured

The person or organization first named in the Declarations is primarily responsible for payment of all premiums. The first named insured will act on behalf of all other named insureds for the giving and receiving of notice of cancellation or nonrenewal and the receiving of any return premiums that become payable under this policy.

Inspections And Surveys

We may:

- make inspections and surveys at any time;
- give you reports on the conditions we find; and
- recommend changes.

Reference Copy

Conditions

Inspections And Surveys (continued)

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us.

Titles Of Paragraphs

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

Transfer Of Rights And Duties

Your rights and duties under this insurance may not be transferred without our written consent. However, if you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative, or to anyone having temporary custody of your property until your legal representative has been appointed.

When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first named insured's last known address, written notice of the nonrenewal not less than 60 days before the expiration date. If notice of nonrenewal is mailed, proof of mailing will be sufficient proof of notice.

Reference Copy

Common Policy Conditions Section

Endorsements

Reference Copy

Policy Conditions

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

The following changes are made as respects exposures in the state of Louisiana.

Under Conditions, the provisions titled Cancellation and When We Do Not Renew are deleted and replaced by the following:

Conditions

Cancellation

The first Named Insured shown in the Declarations may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

A. *Cancellation of Policies in Effect for fewer than 60 days which are not Renewals*

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

1. Cancellation for nonpayment of premium:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 20 days before the effective date of cancellation.

2. Cancellation for any other reason:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

Reference Copy

Conditions

Cancellation (continued)

B. *Cancellation of Renewal Policies and New Policies in Effect for 60 days or more*

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

1. Nonpayment of premium;
2. Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
3. Activities or omissions by you which exist at the time of loss which change or increase any hazard insured against;
4. Change in the risk which increases the risk of loss after we issued or renewed this policy including an increase in exposure due to regulation, legislation, or court decision;
5. Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;
6. The insured's violation or breach of any policy terms or conditions; or
7. Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation to the first Named Insured at least:

- 20 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- 60 days before the effective date of cancellation if we cancel for a reason described in 1. through 7. immediately above.

C. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the policy subject to the following:

1. We may cancel the policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument
2. The cancellation notice will also advise you that the policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

D. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to the following:

1. The refund will be pro rata.
2. If the first Named Insured cancels, the refund will be returned within 30 days after the effective date of cancellation.
3. We will send the refund to the first Named Insured unless Paragraph 4. applies.

Reference Copy

Policy Conditions

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Conditions

Cancellation (continued)

4. If we cancel based on Paragraph C. of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in C.2. If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.
 5. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.
- E. Premiums
1. The first Named Insured shown in the Declarations is responsible for the payment of all premiums.
 2. We will pay return premiums, if any, to the first Named Insured, unless another person or entity is entitled to be the payee in accordance with Paragraph D. of this endorsement.

When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, mortgage holder, pledgee or other known persons shown in the policy to have an insurable interest in any loss, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

We need not mail or deliver this notice if:

- We or another company within the Chubb Group of Insurance Companies have offered to issue a renewal policy; or
- You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

Any notice of nonrenewal will be mailed or delivered to the first Named Insured, mortgage holder, pledge or other known person shown in the policy to have an insurable interest in any loss, at the last mailing address shown to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

Such notice to the insured shall include the insured's loss run information for the period the policy has been in force within, but not to exceed, the last three years of coverage.

Reference Copy

Under Conditions, Mortgage Holder - Buildings is deleted and replaced with the following:

Conditions

Mortgage Holder - Buildings

We will pay for loss or damage to **building** jointly to you and the mortgage holder shown in the Schedule of Mortgagees and Loss Payees, as interests may appear.

Your mortgage holder has the right to receive loss payment, even though:

- you failed to comply with the terms of this insurance; or
- your mortgage holder starts foreclosure or similar actions on the **building**,

if such mortgage holder:

- pays any premium due at our request if you have failed to do so;
- submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so, and
- has notified us of any change in ownership, occupancy or substantial change in risk known to such mortgage holder.

If we make loss payments to your mortgage holder when you fail to comply with the terms of this insurance, you will have to pay us to the extent we pay the mortgage holder. Your mortgage holder will still have the right to receive the balance of the mortgage debt from you.

We also have the right to take over your mortgage after making loss payment to the mortgage holder. If we do, you will pay your remaining mortgage debt to us.

If you fail to pay your premium, we may request it from your mortgage holder.

The mortgage holder must notify us of any change in ownership known to the mortgage holder.

If we cancel this insurance, we will give written notice to the mortgage holder at least:

- 20 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any other reason.

If we cancel a policy that is not a renewal of a policy we issued, we will give written notice to the mortgage holder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- 20 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any other reason.

Failure to provide such notice shall not invalidate such cancellation.

Reference Copy

Policy Conditions

Endorsement

Effective Date AUGUST 19, 2012

Policy Number 3579-64-71 DAL

Conditions

***Mortgage Holder -
Buildings
(continued)***

To satisfy the requirements of any mortgage holder shown in the Schedule of Mortgagees and Loss Payees, copies of policies or certified copies of policies may be sent to these mortgage holders. In no event are copies of policies sent to mortgage holders to be considered as increasing the Limits Of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

All other terms and conditions remain unchanged.

Authorized Representative



Reference Copy

Policy Conditions

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

The following changes are made as respects exposures in the state of Louisiana.

Under Conditions, the following condition is added.

Conditions

Removal Of Agent

As the named **insured**, you have the right to remove your current agent of record and continue this same policy with any other agent affiliated with us. If you wish to remove your agent, you must send us written notice expressing your intent to terminate your current agent. This notification should also include the name of the replacing agent and the agency. We will promptly notify the terminated agent of his removal and the change will go into effect 30 days after notification is sent to the terminated agent. Your policy with the terminated agent will be canceled pro-rata and rewritten with the replacing agent.

All other terms and conditions remain unchanged.

Authorized Representative



Reference Copy

Policy Conditions

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
<i>Effective Date</i>	AUGUST 19, 2012
<i>Policy Number</i>	3579-64-71 DAL
<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

Under Conditions, the following condition is added.

Conditions

Notice Of Cancellation To Scheduled Persons Or Organizations When We Cancel

When we cancel this policy for any reason, other than non-payment of premium, we will notify person(s) or organization(s) shown in the Schedule at least 30 days in advance of the cancellation date.

Any failure by us to notify such person(s) or organization(s) will not:

- impose any liability or obligation of any kind upon us; or
- invalidate such cancellation.

Schedule

If you are obligated, pursuant to a written contract or agreement, to provide person(s) or organization(s) with notice of cancellation, then we will notify such person(s) or organization(s) provided that within 15 days of the date we send notice of cancellation to the first named insured, the first named insured or producer of record provides us with a spreadsheet containing the name, mailing address and, if available, e-mail address of the person(s) or organization(s).

All other terms and conditions remain unchanged.

Conditions
(continued)

Authorized Representative

A handwritten signature in black ink, appearing to be "P. M. Q.", written over a horizontal line.

Policy Conditions

Endorsement

<i>Policy Period</i>	AUGUST 19, 2012 TO AUGUST 19, 2013
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<i>Insured</i>	PAMLAB INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	OCTOBER 11, 2012

This Endorsement applies to the following forms:

PROPERTY DECLARATIONS
LIABILITY DECLARATIONS
INTERNATIONAL AUTOMOBILE LIABILITY
INTERNATIONAL WORKERS COMP

The Named Insured is amended to include the following:

Named Insured

PAMLAB INC.
PAMLAB, LLC
PAN AMERICAN LABORATORIES, LLC
PAN AMERICAN LABORATORIES, INC.
RED RIVER PHARMA, LLC
BRAND DIRECT HEALTH, LLC
ZERXIS PHARMA, LLC
PAMLAB DEVELOPMENT, LLC

All other terms and conditions remain unchanged.

Authorized Representative

