PERSONAL LIABILITY describes the protection you have against liability arising out of your residence and your personal activities. PERSONAL LIABILITY is not complete without Parts One and Two and GENERAL PROVISIONS and is not in effect unless a premium is shown for it on the Declarations Page.

**LIABILITY**

If claim is made or suit is brought against an insured for damages because of bodily injury or property damage caused by an occurrence to which this coverage applies:

We will

1. pay up to our limit of liability for the damages for which the insured is legally liable; and

2. provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate.

Our duty to settle or defend ends when the amount we pay equals our limit of liability for PERSONAL LIABILITY.

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

- bodily injury; or
- property damage.

**MEDICAL PAYMENTS TO OTHERS**

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing bodily injury. Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.

This coverage does not apply to you or regular residents of your household except residence employees. As to others, this coverage applies only:

1. to a person on the insured location with the permission of an insured; or
2. to a person off the insured location, if the bodily injury:
   a. arises out of a condition on the insured location or the ways immediately adjoining;
   b. is caused by the activities of an insured;
   c. is caused by a residence employee in the course of the residence employee's employment by an insured; or
   d. is caused by an animal owned by or in the care of an insured.

**LIABILITY AND MEDICAL PAYMENTS EXCLUSIONS**

1. LIABILITY and MEDICAL PAYMENTS TO OTHERS do not apply to bodily injury or property damage:

   a. which is expected or intended by the insured;
   b. arising out of business pursuits of an insured or the rental or holding for rental of any part of any premises by an insured.

This exclusion does not apply to:

(1) activities which are usual to non-business pursuits; or
(2) the rental or holding for rental of an insured location;
   (a) on an occasional basis if used only as a residence;
(b) in part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
(c) in part, as an office, school, studio or private garage;
c. arising out of the rendering of or failure to render professional services;
d. arising out of a premises:
   (1) owned by an insured;
   (2) rented to an insured;
   (3) rented to others by an insured;
   that is not an insured location.
e. arising out of:
   (1) the ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an insured;
   (2) the entrustment by an insured of a motor vehicle or any other motorized land conveyance to any person; or
   (3) vicarious parental liability imposed by statute for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:
(1) a trailer not towed by or carried on a motorized land conveyance.
(2) a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
   (a) not owned by an insured; or
   (b) owned by an insured and on an insured location.
(3) a motorized golf cart when used to play golf on a golf course.
(4) a vehicle or conveyance not subject to motor vehicle registration which is:
   (a) used to service an insured's residence;
   (b) designed for assisting the handicapped; or
   (c) in dead storage on an insured location.
f. arising out of:
   (1) the ownership, maintenance, use, loading or unloading of a watercraft described below;
   (2) the entrustment by an insured of a watercraft described below to any person; or
   (3) vicarious parental liability imposed by statute for the actions of a child or minor using a watercraft described below.

Watercraft:
(1) with inboard or inboard-outdrive motor power of more than 50 horsepower owned by or rented to an insured;
(2) that is a sailing vessel, with or without auxiliary power, which is more than 35 feet in length owned by or rented to an insured; or
(3) powered by one or more outboard motor(s) with more than 50 total horsepower if the outboard motor(s) is owned by an insured. But, watercraft with outboard motors of more than 50 total horsepower are covered for the policy period if:
   (a) acquired prior to the policy period and:
      (i) you declare them at policy inception; or
      (ii) you tell us in writing, within 45 days after you acquire them, that you intend to insure them.
   (b) acquired during the policy period.
This exclusion does not apply while the watercraft is stored.
g. arising out of:
   (1) the ownership, maintenance, use, loading or unloading of an aircraft;
   (2) the entrustment by an insured of an aircraft to any person; or
   (3) vicarious parental liability imposed by statute for the actions of a child or
       minor using an aircraft.

An aircraft means any contrivance used or designed for flight, except model
or hobby aircraft not used or designed to carry people or cargo.

h. caused directly or indirectly by war, including undeclared war, civil war,
   insurrection, rebellion, revolution, warlike act by a military force or military
   personnel, destruction or seizure or use for a military purpose, and including
   any consequence of any of these. Discharge of a nuclear weapon will be
demed a warlike act even if accidental.
i. which arises out of the transmission of a communicable disease by an
   insured.

Exclusions d., e., f., and g. do not apply to bodily injury to a residence
employee arising out of and in the course of the residence employee's
employment by an insured.

2. LIABILITY does not apply to:
a. liability:
   (1) for your share of any loss assessment charged against all members of an
       association, corporation or community of property owners;
   (2) under any other contract or agreement. However, this exclusion does not
       apply to written contracts:
       (a) that directly relate to the ownership, maintenance or use of an
           insured location; or
       (b) where the liability of others is assumed by the insured prior to an
           occurrence;
   unless excluded in (1) above or elsewhere in this policy;
b. property damage to property owned by the insured;
c. property damage to property rented to, occupied or used by or in the care
   of the insured. This exclusion does not apply to property damage caused
   by fire, smoke or explosion;
d. bodily injury to any person eligible to receive any benefits:
   (1) voluntarily provided; or
   (2) required to be provided;
   by the insured under any:
   (1) workers' compensation law;
   (2) non-occupational disability law; or
   (3) occupational disease law;
e. bodily injury or property damage for which an insured under this policy:
   (1) is also an insured under a nuclear energy liability policy; or
   (2) would be an insured under that policy but for the exhaustion of its limit
       of liability.

A nuclear energy liability policy is one issued by:
(1) American Nuclear Insurers;
(2) Mutual Atomic Energy Liability Underwriters;
(3) Nuclear Insurance Association of Canada;
or any of their successors;
f. bodily injury to you or an insured within the meaning of part a or b of the definition of "insured".

3. MEDICAL PAYMENTS TO OTHERS does not apply to bodily injury:

a. to a residence employee if the bodily injury:
   (1) occurs off the insured location; and
   (2) does not arise out of or in the course of the residence employee's employment by an insured;

b. to any person eligible to receive benefits:
   (1) voluntarily provided; or
   (2) required to be provided;
   under any:
   (1) workers' compensation law;
   (2) non-occupational disability law; or
   (3) occupational disease law;

c. from any:
   (1) nuclear reaction;
   (2) nuclear radiation; or
   (3) radioactive contamination:
   all whether controlled or uncontrolled or however caused; or
   (4) any consequence of any of these.

d. to any person, other than a residence employee of an insured, regularly residing on any part of the insured location.

PERSONAL LIABILITY ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability shown on the Declarations Page for PERSONAL LIABILITY.

CLAIM EXPENSE

We pay:

a. expenses we incur and costs taxed against an insured in any suit we defend;

b. premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for LIABILITY. We need not apply for or furnish any bond;

c. reasonable expenses incurred by an insured at our request, including actual loss of earnings (but not loss of other income) up to $50 per day, for assisting us in the investigation or defense of a claim or suit;

d. interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies;

e. prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.

FIRST AID EXPENSE

We will pay expenses for first aid to others incurred by an insured for bodily injury covered under this policy. We will not pay for first aid to you or any other insured.
DAMAGE TO PROPERTY OF OTHERS

We will pay, at replacement cost, up to $500 per occurrence for property damage to property of others caused by an insured.

We will not pay for property damage:

a. to the extent of any amount recoverable under PERSONAL PROPERTY if a part of this policy;
b. caused intentionally by an insured who is 13 years of age or older;
c. to property owned by an insured;
d. to property owned by or rented to a tenant of an insured or a resident in your household; or

e. arising out of:
   (1) business pursuits;
   (2) any act or omission in connection with a premises owned, rented or controlled by an insured, other than the insured location; or
   (3) the ownership, maintenance, or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances.

This exclusion does not apply to a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an insured.

The following do not change the limit of liability shown on the Declarations Page for PERSONAL LIABILITY.

DAMAGE TO GOVERNMENT HOUSING

We will pay for DAMAGE TO GOVERNMENT HOUSING, subject to these conditions:

a. You must be an officer
   (1) of the U.S. Army, Navy, Marine Corps, Air Force or Coast Guard, and
   (2) on active duty at the time of damage.
b. This coverage applies only to:
   (1) damage to Government-controlled family or unaccompanied personnel housing and its Government-owned furnishings and equipment.
   (2) damage for which you have been found responsible or liable under the report of survey system utilized by the armed service.
c. We will not pay more than your monthly basic pay at the time of damage.
d. We will not pay for damage resulting from deliberate unauthorized use of the housing, its furnishings and equipment. Nor for damage resulting from violation of military rules pertaining to the occupancy of the housing.
e. We will not pay for Government expense in routine or regular maintenance, replacement or cleanup resulting from normal use, wear and tear, or poor housekeeping.
f. We will not pay for property damage to the extent of any amount recoverable under PERSONAL PROPERTY if a part of this policy.
g. Exclusion 2c of LIABILITY EXCLUSIONS does not apply to this coverage.

LOSS ASSESSMENT

We will pay up to $1000 for your share of any loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:

a. each occurrence to which PERSONAL LIABILITY of this policy would apply:
b. liability for each act of a director, officer or trustee in the capacity as a director, officer or trustee, provided:
(1) the director, officer or trustee is elected by the members of a corporation or association of property owners; and
(2) the director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

This coverage applies only to loss assessments charged against you as owner or tenant of your place of residence.

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

Exclusion 2a (1) under LIABILITY EXCLUSIONS does not apply to this coverage.

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**PERSONAL LIABILITY CONDITIONS**

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**LIMIT OF LIABILITY**

Our total liability under LIABILITY for all damages resulting from any one occurrence will not be more than the limit of liability for LIABILITY as shown on the Declarations Page. This limit is the same regardless of the number of insureds, claims made or persons injured. All bodily injury and property damage resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence."

Our total liability under MEDICAL PAYMENTS TO OTHERS, for all medical expense payable for bodily injury, to one person as the result of one accident will not be more than the limit of liability for MEDICAL PAYMENTS TO OTHERS as shown on the Declarations Page.

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**SEVERABILITY OF INSURANCE**

This insurance applies separately to each insured. This condition will not increase our limit of liability for any one occurrence.

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**DUTIES AFTER LOSS**

In case of an accident or occurrence, the insured will perform the following duties that apply. You will help us by seeing that these duties are performed:

a. give written notice to us as soon as is practical, which sets forth:
   (1) the identity of the policy and insured;
   (2) reasonably available information on the time, place and circumstances of the accident or occurrence; and
   (3) names and addresses of any claimants and witnesses;

b. promptly forward to us every notice, demand, summons or other process relating to the accident or occurrence;

c. at our request, help us:
   (1) to make settlement;
   (2) to enforce any right of contribution or indemnity against any person or organization who may be liable to an insured;
   (3) with the conduct of suits and attend hearings and trials;
   (4) to secure and give evidence and obtain the attendance of witnesses;

d. under the coverage - DAMAGE TO PROPERTY OF OTHERS - submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the insured's control;

e. the insured will not, except at the insured's own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the bodily injury.
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<th><strong>DUTIES OF AN INJURED PERSON - MEDICAL PAYMENTS TO OTHERS</strong></th>
<th>The injured person or someone acting for the injured person will:</th>
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| a. give us written proof of claim, under oath if required, as soon as is practical; and  
  b. authorize us to obtain copies of medical reports and records.  
  c. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require. |

| **PAYMENT OF CLAIM - MEDICAL PAYMENTS TO OTHERS** | Payment under this coverage is not an admission of liability by an insured or us. |

| **SUIT AGAINST US** | No action can be brought against us unless there has been compliance with the policy provisions. 
No one will have the right to join us as a party to any action against an insured. Also, no action with respect to LIABILITY coverage can be brought against us until the obligation of the insured has been determined by final judgment or agreement signed by us. |

| **BANKRUPTCY OF AN INSURED** | Bankruptcy or insolvency of an insured will not relieve us of our obligations under this policy. |

| **OTHER INSURANCE - LIABILITY** | This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy. |