
Your Personal Excess Policy - Quick Reference

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This policy is issued by Privilege Underwriters Reciprocal Exchange (PURE), a reciprocal insurance company. By purchasing this policy, you are a Subscriber to PURE. You are subject to the Subscriber's Agreement and Power of Attorney. This is a non-assessable policy consistent with section 629.261, Florida Statutes. The liability of the Subscriber to PURE is limited to the costs associated with the insurance policies only. This is a participating policy and you are entitled to dividends as may be declared by PURE. PURE may annually allocate a portion of surplus to subscriber savings accounts. Amounts allocated to subscriber savings accounts remain a part of PURE's surplus. They may be used to support the operations of PURE. Your right to the balance in the subscriber savings account is limited as set forth in the Subscriber's Agreement.

Insuring Agreement

Privilege Underwriters Reciprocal Exchange will provide the insurance described in this policy in return for payment of the premium and compliance with all applicable provisions of the policy.

I - DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and if the "named insured" is an individual, the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

In addition, certain words and phrases are defined below. When used throughout the policy the defined words will be bolded.

Aircraft

Aircraft means any device used or designed for flight. **Aircraft** does not include model or hobby craft not used or designed to carry people or cargo.

Auto

Auto means any self propelled land vehicle which requires motor vehicle registration or operator licensing. It includes a trailer or semi-trailer which is being carried on, towed by or hitched for towing by a vehicle.

Bodily Injury

Bodily Injury means physical bodily harm, sickness or disease. This includes required care, loss of services and resulting death.

Business

Business means a trade, occupation or profession engaged in on a full-time, part-time or occasional basis. **Business** also means any other activity engaged in for money or other compensation. **Business** does not include **incidental business**.

Crisis Management Firm

Crisis Management Firm means a public relations firm, media consultant, investigative firm or law firm.

Damages

Damages means the monetary amount required to settle a claim.

Deductible

Deductible means the amount of any covered **damages** that you are responsible for.

Discrimination

Discrimination means the violation of a person's rights with respect to such person's:

- a) Race;
- b) Color;
- c) National origin;
- d) Religion;
- e) Gender;
- f) Marital status;
- g) Age;
- h) Sexual orientation or preference;
- i) Physical or mental condition; or
- j) Any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

Employment Crisis

Employment Crisis means a claim of a **wrongful employment act** committed against your **private staff** that may result in civil action against you or a **family member**.

Family Member

Family member means a person that lives in your household and is related to you by blood, marriage, registered domestic partnership under Florida law, or adoption.

Follow Form

We will cover **damages** to the extent they are both covered by the required **underlying insurance** and not excluded by this policy. The provisions of this policy supersede and replace similar provisions in the underlying policy. We will not provide broader coverage than the underlying policy. When coverage is provided on a **follow form** basis and no **underlying insurance** exists, coverage will be determined as if we had sold the required **underlying insurance**.

Fungi

Fungi means any type of form or fungus, including:

- a) Mold or mildew, and any mycotoxins;
- b) Spores;
- c) Scents or;
- d) By-products

produced or released by **fungi**.

Incidental Business

Incidental Business means a **business** activity that:

- a) Has no employees subject to workers' compensation or other similar disability laws;
- b) Conforms to federal, state and local laws; and
- c) Does not generate more than \$10,000 of gross annual revenues.

Incidental Business includes the **business** of renting to others:

- a) Any one to four family dwelling; or
- b) A condominium, cooperative or apartment unit

listed as a location on your Declarations.

Insured

Insured means you or a **family member**. **Insured** also means any individual or other legal entity given permission by you or a **family member** to use a **vehicle** or **watercraft** covered by this policy with respect to their legal responsibility arising out of its use.

Occurrence

Occurrence means an accident or offense, including continuous or repeated exposure to substantially the same harmful conditions, which result in **bodily injury** or **property damage** during the policy period.

Personal Injury

Personal Injury means resulting injury or death from one or more of the following:

- a) **Bodily Injury**;
- b) Unlawful detention, false imprisonment or false arrest;
- c) Shock or emotional distress;
- d) Invasion of privacy;
- e) Defamation, libel or slander;
- f) Malicious prosecution;
- g) Wrongful entry or eviction; or
- h) Assault and battery when committed with the intent of protecting persons.

Pollutant

Pollutant means any man-made or naturally occurring solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to:

- a) Smoke;

- b) Vapor;
- c) Soot;
- d) Fumes;
- e) Acids;
- f) Alkalis;
- g) Chemicals; and
- h) Waste that pollutes.

Waste includes materials to be recycled, reconditioned, or reclaimed.

Private Staff

Private Staff means a person employed to perform duties related to your personal affairs or **incidental business**. **Private staff** are paid by you or a **family member** to perform labor or services at your direction. **Private staff** includes temporary workers. **Private staff** also includes persons employed by a firm under an agreement between you and the firm. Independent contractors and persons hired by you who work 15 hours or less per week are not **private staff**.

Property Damage

Property Damage means physical injury to, destruction of, or loss of use of tangible property.

Recreational Motor Vehicle

Recreational Motor Vehicle means a motorized land vehicle designed for use off public roads, not subject to motor vehicle registration or operator licensing. **Recreational Motor Vehicle** includes a golf cart used as a means of travel about your residence, your residence community or a golf course for golfing purposes or community or other private activities. **Recreational Motor Vehicle** also includes vehicles used to assist the handicapped that are not designed for or required to be registered for use on public roads.

Sexual Harassment

Sexual Harassment means unwelcome sexual advances, a direct or implied request for sexual favors, or other conduct of a sexual nature when such conduct:

- a) Is linked to a **private staff's** employment or used as a condition of such employment.
- b) Interferes with the performance of any **private staff's** duties; or
- c) Creates an intimidating, hostile or offensive workplace.

Underlying Insurance

Underlying insurance means all liability insurance providing coverage for **damages** that are covered by this policy. **Underlying insurance** does not include this policy or insurance specifically purchased to be excess of this policy.

Watercraft

Watercraft means a boat or craft principally designed to be propelled on, over or under water. A model boat or hobby craft not used or designed to carry people is not considered a **watercraft**.

Wrongful Employment Act

Wrongful Employment Act means actual or alleged employment-related **wrongful termination, sexual harassment, or discrimination**.

Wrongful Termination

Wrongful Termination means;

- a) Violation of the rights of your **private staff**, other than rights based on an agreement of employment; or
- b) The failure of you or a **family member** to exercise duty and care; when terminating an employment relationship.

II - COVERAGES

A. Excess Liability

We will pay for **damages** that an **insured** is legally obligated to pay as a result of **property damage** or **personal injury** caused by an **occurrence** to which this coverage applies:

- a) In excess of the **underlying insurance** or the minimum required underlying limits, whichever is greater; or
- b) From the first dollar where coverage provided by required **underlying insurance** does not apply or **underlying insurance** is not required.

This coverage applies to an **occurrence** anywhere in the world during the policy period.

Additional Coverages

These Additional Coverages do not increase the coverage limit shown on your Declarations.

1. Rented or Borrowed Autos

We will pay for **damages** that an **insured** is legally obligated to pay as a result of **property damage** or **personal injury** caused by an **occurrence** arising from an **insured's** use of a rented or borrowed **auto**. This coverage applies only if the rental or loan of the **auto** does not exceed 45 days.

This coverage applies in excess of the **underlying insurance**, or from the first dollar where no **underlying insurance** exists.

This coverage applies to an **occurrence** anywhere in the world during the policy period.

2. Rented, Borrowed or Newly Acquired Watercraft

We will pay for **damages** that an **insured** is legally obligated to pay as a result of **bodily injury** or **property damage** caused by an **occurrence** arising from an **insured's** use of a rented, borrowed or newly acquired **watercraft** provided:

- a) You give us notice within 45 days of becoming the owner of a **watercraft**; or
- b) The **watercraft** is furnished or rented to you for less than 45 days.

We will provide this coverage:

- a) In excess of the **underlying insurance** or the minimum required underlying limits, whichever is greater; or
- b) From the first dollar where coverage provided by required **underlying insurance** does not apply.

This coverage applies to an **occurrence** anywhere in the world during the policy period.

3. Limited Employers' Liability

We will pay **damages** which are not compensable under worker's compensation or similar laws an **insured** is legally obligated to pay as a result of **bodily injury** to **private staff**. We will provide this coverage in excess of any **underlying insurance** or the minimum required underlying limits, whichever is greater.

B. Excess Uninsured and Underinsured Motorists Coverage

This coverage is only in effect if a coverage limit is shown for Excess Uninsured / Underinsured Motorists on your Declarations.

We will pay **damages** for **bodily injury** an **insured** is legally entitled to receive from the owner or operator of an uninsured or underinsured **auto**. We will only pay those **damages** in excess of the **underlying insurance** or the minimum required underlying limits, whichever is greater. The most we will pay as a result of an **occurrence** is the coverage limit for Excess Uninsured / Underinsured Motorists shown on your Declarations. This limit is the most we will pay, regardless of the number of claims, vehicles or people involved in the **occurrence**, or vehicles you own.

This coverage only applies for an **occurrence** during the policy period. This coverage will follow form.

C. Limited Employment Practices Liability Coverage

This coverage is only in effect if a limit is shown for Limited Employment Practices Liability on your Declarations.

We will pay **damages** you or a **family member** are legally obligated to pay to **private staff** as a result of a covered **wrongful employment act** that occurs during the policy period. This coverage applies only if the number of **private staff** you employ at the start of the policy period is not more than five (5).

All continuous, repeated or related **wrongful employment acts** will be treated as a single **wrongful employment act** occurring at the time of the first **wrongful employment act**.

The most we will pay is the coverage limit for Limited Employment Practices Liability shown on your Declarations. This limit is the most we will pay regardless of the number of **occurrences** during the policy period. Each and every payment we make under this coverage during the policy period will reduce the amount of coverage available for future claims.

Employment Crisis Coverage

We will pay up to \$25,000 for the reasonable and necessary expenses you incur for services provided by a **crisis management firm** to limit **damages** as a result of an **employment crisis**. You must obtain our prior written approval of the **crisis management firm** before incurring fees and expenses. This coverage applies only if the **employment crisis** is the result of a **wrongful employment act** that occurs during the policy period.

We will not pay more than \$25,000 regardless of the number of **occurrences** during the policy period. Each and every payment we make under this coverage during the policy period will reduce the amount of coverage available for future claims. This limit is separate from the Limited Employment Practices Liability limit shown on the Declarations. There is no **deductible** for this coverage.

D. Defense Coverage

1. Defense Coverage and Claims Expenses

We will provide a defense against any claim made or suit brought against an **insured** for **damages** covered by this policy and where;

- a) The **underlying insurance** has been exhausted by payment of claims;
- b) No **underlying insurance** is required; or
- c) The required **underlying insurance** does not apply.

We will provide a defense even if the suit is groundless, false or fraudulent.

You may choose counsel from a panel of firms that we have selected. We reserve the right to assign counsel if a panel has not been selected in the jurisdiction where the suit is brought or the claim is made. We may investigate, negotiate and settle any claim or suit at our discretion.

In addition, we will pay:

- a) Expenses we incur and costs taxed against an **insured** in any suit we defend;
- b) Reasonable expenses incurred by an **insured** at our request. This includes actual loss of earnings, but not loss of other income. We will pay up to \$10,000 for assisting us in the investigation or defense of a claim or suit;
- c) The expenses related to bail bonds required of an **insured** due to a covered loss;
- d) Premiums on bonds required in a suit we defend, but not for bond amounts to the extent that they exceed our coverage limit. We need not apply for or furnish any bond;
- e) All expenses we incur;
- f) Interest on our share of the judgment. We will pay the interest which accrues after entry of the judgment and before we pay our share of the judgment. This only applies to the extent the judgment does not exceed the coverage limit that applies;
- g) All prejudgment interest awarded against an **insured** that we pay or offer to pay. We will not pay any prejudgment interest for that period of time after we make an offer to pay the amount of coverage.

In jurisdictions where we are prevented from defending an **insured** for a covered loss, we will pay any expense incurred with our prior written consent for the **insured's** defense.

Our duty to defend any **insured** against any claim or suit ends when the amount we pay for **damages** in judgment or settlements resulting from the **occurrence** equals the coverage limit shown on your Declarations.

Payments under this Defense Coverage and Claim Expense provision, except a settlement payment, are in addition to the limit shown on your Declarations.

We have the right, but not the duty, to:

- a) Defend any **insured** against any suit seeking **damages** for excess liability covered under this policy and also covered by the **underlying insurance**; and
- b) Participate, at our expense, with the **insured** or insurer of any underlying policy in the investigation, defense or settlement of any claim. We will not contribute to any costs and expenses incurred by underlying insurer which they are obligated to pay.

2. Expanded defense

This coverage applies only if we are providing defense coverage for an **insured** for covered **damages**. We will reimburse you up to \$10,000 for reasonable expenses you incur for a law firm of your choice to review or consult on the defense. This coverage only applies to expenses incurred after the date we begin to provide the defense.

E. Limits of Liability

1. Excess Liability Coverage

The most we will pay for all **damages** resulting from one **occurrence** is the coverage limit for Excess Liability shown on your Declarations. This limit is the most we will pay regardless of the number of **insureds**, claims made, persons injured or vehicles involved in the **occurrence**.

2. Excess Uninsured/Underinsured Motorist Coverage

The most we will pay for all **damages** resulting from one **occurrence** is the coverage limit for Excess Uninsured/Underinsured Motorist Coverage shown on

your Declarations. This limit is the most we will pay regardless of the number of **insureds**, claims made, persons injured or vehicles involved in the **occurrence**.

No one will be entitled to a duplicate payment for the same elements of a loss. This applies to this coverage and any other part of this policy. This includes no-fault coverage and **auto** medical payments.

We will not pay any part of a loss when a person is entitled to payment for the same part of the loss under Workers' Compensation law or any other similar disability law.

3. Limited Employment Practices Liability

The most we will pay for all covered **damages** that occur during the policy period is the coverage limit for Limited Employment Practices Liability shown on your Declarations. This limit is the most we will pay regardless of the number of **wrongful employment acts**. Each and every payment we make during the policy period will reduce the coverage limit. In no event will we pay more than the annual aggregate. This is regardless of how many claims are made or people are involved.

This coverage is subject to a \$10,000 **deductible per occurrence**. This **deductible** does not reduce the policy limits available. Our right to investigate and negotiate a claim or suit and your duty to let us know of any claim or suit apply regardless of the application of the **Deductible**.

III - EXCLUSIONS

A. General Exclusions

We will not provide coverage for **damages**, defense costs or any other costs or expenses:

1. **Aircraft**
Arising out of the:
 - a) Ownership;

- b) Maintenance;
- c) Operation;
- d) Use;
- e) Loading;
- f) Unloading; or
- g) Towing;

of any **aircraft**.

2. Assessments

Arising from any assessment charged against an **insured** as a member of an:

- a) Association;
- b) Corporation; or
- c) Community

of property owners.

3. Motorized Land Vehicles

Arising out of the ownership, maintenance, loading or unloading of:

- a) Any motorized land vehicle other than an **auto** or **recreational motor vehicle**; or
- b) Any **auto** or **recreational motor vehicle** not covered by **underlying insurance**.

This exclusion does not apply to coverage provided under Additional Coverage, Rented or Borrowed **Autos**.

4. Auto Services

Arising out of the use of an **auto** by any **insured** while employed or engaged in the **business** of: selling; repairing; servicing; storing; parking; testing or delivering **autos**.

5. Business

Arising out of or in connection with an **insured's business** property or **business** pursuits. However, this exclusion does not apply to:

-
- a) **Incidental business** property or **incidental business** pursuits; or
 - b) **Personal injury** or **property damage** arising out of the physical condition of a location listed on your Declarations when **business** or professional activities are legally conducted by any **insured** at that location; and:
 - 1) There are no employees conducting **business** activities at that location who are subject to workers' compensation or other similar disability laws;
 - 2) You are not a home day care provider; and
 - 3) There is no other valid collectible insurance.
6. **Claims Settled Without Our Consent**
Any claim settled with a third party without our written consent. This applies regardless of the cause of loss, or any related expenses such as:
- a) Court costs;
 - b) Legal expense; or
 - c) Judgment.
7. **Communicable Disease**
Arising out of the transmission of a communicable disease by an **insured**.
8. **Contracts or Agreement**
Arising from any contract or agreement entered into by an **insured**. However, this exclusion does not apply to any contracts:
- a) That directly relate to the ownership, maintenance, or use of a location listed on your Declarations; or
 - b) Where the liability of others is assumed by you prior to an **occurrence**.
9. **Controlled Substance(s)**
Arising out of the
- a) Use;
 - b) Sale;
 - c) Manufacture;
 - d) Delivery; or
 - e) Transfer or possession

by any person of a controlled substance as defined under federal law.

Controlled substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. This exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

10. Damage to **Insured's** Property

For **property damage** to property owned by an **insured**.

11. Director's Errors or Omissions

Arising out of an **insured's** actions, errors or omissions as a director or officer of any corporation or organization. This exclusion does not apply to **personal injury** or **property damage** arising out of an **insured's** activities;

- a) For a Condominium or Cooperative Association; or
- b) For a not for profit corporation or organization.

12. Expected or Intended Injury

Resulting from any criminal; willful; intentional; or malicious act or omission by any **insured**. We will not cover any loss resulting from acts or omissions of any person which are intended to result in, or would be expected by a reasonable person to cause **personal injury** or **property damage**. This exclusion applies even if the injury or damage is of a different kind or degree, or is sustained by a different person than expected or intended. This exclusion does not apply to **bodily injury** if the **insured** acted with reasonable force to protect any person or property.

13. **Fungi**, Wet or Dry Rot or Bacteria

Arising directly or indirectly, in whole or in part, out of the actual or alleged or threatened

- a) Inhalation of;
- b) Ingestion of;
- c) Contact with;
- d) Exposure to;
- e) Existence of; or
- f) Presence of

any **fungi**, wet or dry rot, or bacteria.

This exclusion does not apply to **personal injury** or **property damage** arising out of **fungi** that are intended for consumption.

14. Fuel Leakage

Arising from the escape of fuel from a fuel system. A fuel system includes any combination of containers; tanks; pipes; hoses; or pumps used to store or dispense fuel for any purpose.

15. Insured

For **personal injury** to you or an **insured** under this policy. This exclusion does not apply to coverage provided under Excess Uninsured/Underinsured Motorist Coverage, if a limit for this coverage is shown on your Declarations.

16. Lead

Arising from the:

- a) Absorption;
- b) Ingestion; or
- c) Inhalation

of lead or the contamination of property with lead.

17. Nuclear

Arising directly or indirectly from nuclear hazard. Nuclear hazard means:

- a) Any nuclear reaction;
- b) Radiation; or
- c) Radioactive contamination

all whether controlled or uncontrolled or however caused. We do cover subsequent loss due to fire resulting from a nuclear hazard unless another exclusion applies.

18. Pollution

Arising directly or indirectly out of any:

- a) Actual, alleged or threatened existence, discharge, dispersal, seepage, migration, release or escape of **pollutants**;
- b) Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove or in any way respond to, or assess the effects of **pollutants**; or
- c) Claim or suit by or on behalf of a government authority for **damages** because of testing for, monitoring, cleaning up, removing or in any way responding to or assessing the effects of **pollutants**.

The intent and effect of this exclusion is to exclude any coverage in any way arising out of or by **pollutants**. The exclusion applies however such occurs.

This exclusion does not apply to;

- a) Heat, smoke or fumes from a fire which becomes uncontrollable or breaks out;
- b) Fuels, lubricants, fluids, exhaust gases or similar **pollutants** which;
 - 1) Are needed for, or result from, the normal functioning of any **auto** covered by **underlying insurance**; and
 - 2) Escape or released directly from an **auto** part. The **auto** part must be designed by its manufacturer to hold, receive, or dispose of such **pollutants**; or
- c) **Pollutants** not in or upon any **auto** covered by **underlying insurance** if:
 - 1) The **pollutants** or any property in which the **pollutants** are contained are upset, overturned or damaged. This must be as a result of the maintenance or use of any **auto** covered by **underlying insurance**; and
 - 2) The discharge or escape of the **pollutants** is caused directly by such upset.

19. Professional Services

Arising out of the rendering of or failure to render professional services.

20. Property in Your Care

For **property damage** to property in the custody, care or control of an **insured**.

This exclusion does not apply to **property damage**:

- a) Caused by fire, smoke or explosion; or
- b) To a residence that you rent to live in.

21. Racing

Arising out of the use by an **insured** of any **auto, recreational motor vehicle, or watercraft** while being operated in, or practicing for:

- a) Any prearranged or organized race;
- b) Speed contest; or
- c) Other similar competition.

This exclusion does not apply to sailboats.

22. Uninsured/Underinsured Motorists

For any claim for uninsured/underinsured motorists coverage or no fault insurance benefits. This exclusion does not apply if a limit is shown for Uninsured / Underinsured Motorist Protection on your Declarations.

23. War

Caused directly or indirectly by war, including the following and any consequence of the following:

- a) Undeclared war, civil war, insurrection, rebellion or revolution;
- b) Warlike acts by military forces or military personnel; or
- c) Destruction, seizure or use of property for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act, even if accidental.

24. Watercraft

Arising out of the ownership, maintenance, operation, use, loading or unloading, or towing of any **watercraft**:

- a) That is over 26 feet in length or has more than 50 horsepower and is owned by, furnished or rented to an **insured** for more than 45 days and is not listed on the Declarations; or

b) Used for any **business** or commercial purpose.

25. Workers Compensation or Disability

For any **damages** or benefits an **insured** is legally obligated to provide under any:

- a) Workers' compensation;
- b) Disability benefits;
- c) Jones Act or General Maritime Law;
- d) Unemployment compensation;
- e) Occupational disease; or
- f) Similar law.

B. Exclusions Specific to Excess Liability

We will not provide coverage for **damages**, defense costs or any other costs or expenses:

1. Wrongful Employment Acts

Arising out of any **wrongful employment act**.

2. Discrimination

Arising out of actual, alleged or threatened **discrimination**.

3. Sexual Misconduct

Arising out of actual, alleged or threatened:

- a) Sexual molestation;
- b) Corporal punishment; or
- c) Sexual, physical or mental abuse.

C. Exclusions Specific to Employment Practices Liability

We will not provide coverage for **damages**, defense costs or any other costs or expenses:

1. Property Damage or Bodily Injury

Arising out of **Property Damage** or **Bodily Injury**.

2. Punitive Damages

We will not cover any:

- a) Fines;
- b) Penalties;
- c) Punitive;
- d) Exemplary; or
- e) Multiplied **damages**.

3. Uninsurable Losses

For any matter deemed uninsurable by any law of the United States.

4. Breach of an Employment Contract

Arising out of a **wrongful employment act** where the **insured** is required to pay **damages** due to an express, written, implied, or oral agreement of employment.

5. Non-Monetary Relief

Arising out of any claim or suit, or part of any claim or suit, seeking non-monetary relief. This includes but is not limited to:

- a) Injunctive or declaratory relief;
- b) Disgorgement;
- c) Job reinstatement; or
- d) Other equitable remedies.

6. Violations of Laws Applicable to Employers

Arising out of a breach of any of the obligations or duties imposed by the following:

- a) Employment Retirement Income Security Act of 1974;
- b) Fair Labor Standards Act (except the Equal Pay Act);
- c) Workers' Adjustment and Retraining Notification Act;
- d) National Labor Relations Act;
- e) Consolidated Omnibus Budget Reconciliation Act;
- f) Occupational Safety and Health Act;
- g) Immigration Reform & Control Act of 1986; or

- h) Any laws disseminated from any of the above, and their amendments or any similar terms of any law of the United States.

7. Social Security Benefits

Arising out of any duty under the Social Security Act. This includes, but is not limited to, any claim for lost or lessened Social Security benefits. This also includes changes to that law, or any other similar law.

IV - UNDERLYING INSURANCE

A. Required Underlying Insurance

1. It is a condition of this policy that you and your **family members** maintain primary **underlying insurance** in full effect for the Minimum Required Underlying Limits shown on your Declarations covering:
 - a) You and your **family members** personal liability for **personal injury** or **property damage**; and
 - b) Liability for **Bodily injury** or **property damage** arising from all vehicles and **watercraft** you or a **family member** own or rent, lease or have furnished for use for longer than 45 days.
2. We will not be liable under this policy for more than we would have been liable if the required **underlying insurance** was in effect if:
 - a) You or a **family member** fail to maintain the required **underlying insurance**;
 - b) You or a **family member** fail to meet your contractual responsibilities under the required **underlying insurance**; or
 - c) The underlying insurer is bankrupt, insolvent or in receivership.

When an **occurrence** involving an **auto** or **watercraft** is covered by this policy and not covered by an **underlying** policy, this policy will **follow form**. We will proceed as though the **underlying insurance** was sold by us.

V - DUTIES AFTER A LOSS

- A. In the event of a suit, an **occurrence** or a **wrongful employment act** likely to involve this policy, the **insured** must notify us in writing as soon as practical of;
1. The identity of the policy and the **insured**;
 2. Information as to the time, place and circumstances of the **occurrence** or **wrongful employment act**; and
 3. The names and addresses of any claimants and witnesses.
- B. If a claim is made or a suit is brought against an **insured**, the **insured** must;
1. Notify us immediately in writing;
 2. Promptly forward to us every notice, demand, summons or other process relating to the **occurrence** or **wrongful employment act**; and
 3. At our request, help us;
 - a) To make settlement;
 - b) To enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured**;
 - c) With the conduct of suits and attend hearings and trials; and
 - d) To secure and give evidence and obtain the attendance of witnesses.
- C. Any voluntarily made payment or assumption of duty or expense by the **insured** will be at the **insured's** own cost. This does not apply to first aid to others at the time of an **occurrence**.

VI - GENERAL PROVISIONS

A. Policy Period and Territory

The policy period is listed on your Declarations. This policy applies only to an **occurrence** or **wrongful employment act** which takes place during the policy period. The policy territory is anywhere in the world, unless otherwise limited by this policy. A **wrongful employment act** taking place anywhere in the world is only covered if the claim is made and a suit is brought in the United States, its territories or possessions.

B. Suit Against Us.

1. No legal action may be brought against us;
 - a) Unless there has been full compliance with all the terms of this policy;
and
 - b) Until the obligation of the **insured** has been determined by final judgment or agreement signed by us.
2. Any action against us must be brought within five years after a loss occurs.
3. No person or organization has any right under this policy to join us as a party to any legal action against an **insured**.
4. We will not be liable for the **insured's** share of any payment due because of a settlement or judgment for which the **insured** is responsible under any **deductible** provision.

C. Excess Uninsured/Underinsured Motorists Protection Arbitration

Either party may demand arbitration if we and an **insured** do not agree;

1. Whether an **insured** is legally entitled to recover **damages**; or
2. As to the amount of **damages** which are recoverable by that **insured**; from the owner or operator of an uninsured or underinsured **auto**. The demand must be in writing.

Both parties must agree to arbitration. Each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request a selection be made by a judge of a court of the jurisdiction. Each party will pay the expenses it incurs. Each party will equally bear the expenses of the third arbitrator.

Arbitration will take place in the county that the **insured** lives unless both parties agree otherwise. Local laws as to procedure and evidence will apply. A decision agreed to by two arbitrators will be binding as to:

1. Whether the **insured** is legally entitled to recover **damages**; and
2. The amount of **damages**.

The most we will pay is the coverage limit for Excess Uninsured/Underinsured Limit shown on the Declarations.

Disputes concerning coverage under the Excess Uninsured / Underinsured Motorist provision may not be arbitrated.

This provision supersedes any arbitration provision in any **underlying insurance** policy.

D. Appeals

If the **insured** or any insurer providing **underlying insurance** does not appeal a judgment which is more than the amount that would require payment by this policy, we may do so. We will pay all costs of the appeal at our own expense. Amounts we pay will be in addition to our limits of liability.

E. Recovery

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

F. Assignment

Assignment of this policy will not be valid unless we give our written consent.

G. Waiver or Change of Policy Provisions

This policy contains all the agreements between you and us. Its terms may only be changed or waived by a written endorsement we issue. If a change results in a premium change, we will adjust the premium as of the date the change to the policy was made.

H. Conformity to Law

If any part of this policy conflicts with state or local law, this policy is amended to conform to those laws.

I. Concealment or Fraud

We do not provide coverage to an **insured** who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements

relating to this insurance.

J. Liberalization

If we make a change which broadens coverage under this edition of the policy without premium charge, we will apply the change to your policy as of the date we made the change.

K. Disclosure of Operators

You must inform us of every **family member** who is licensed to operate an **auto** or who operates a **watercraft** or **recreational motor vehicle**. If a **family member** becomes licensed or first operates a **watercraft** or **recreational motor vehicle** during the policy term you must inform us within 365 days. Your failure to disclose all operators during the required period may result in cancellation or voidance of this policy.

L. Bankruptcy

Bankruptcy or insolvency of an **insured** will not relieve us of our duties under this policy.

M. Death of an Insured

In the event of the death of an **insured**, this policy will cover the legal representative of the deceased for the remainder of the Policy Period unless cancelled. We will cover the legal representative of the deceased only with respect to personal excess liability of the deceased covered under this policy at the time of death.

N. Other Insurance

This policy is excess over any other insurance, except when the coverage is specifically written to apply in excess of the coverages provided by this policy.

O. Cancellation

You may cancel this policy by mailing us notice. Let us know in writing of the date of the cancellation. Any premium refund will be computed pro rata.

We may cancel by mailing notice to the mailing address shown on the Declarations. If the policy is cancelled due to nonpayment of premium, we will send notice of cancellation at least ten (10) days before the effective date of cancellation.

If the reason for cancellation is other than non-payment of premium, written notice of cancellation will be sent at least forty five (45) days before the effective date of cancellation. Proof of mailing will be sufficient proof of notice. The date and hour of cancellation on the notice will become the end of the policy period. Any premium refund will be computed pro rata.

P. Non-Renewal

We may non-renew by mailing notice to the mailing address shown on the Declarations. Notice of non-renewal will be sent at least forty five (45) days before the end of the policy period. This policy will end at the date listed on the policy period if you do not pay the renewal premium. This policy will also end if you have notified us that you do not wish to renew this policy. Proof of mailing will be sufficient proof of notice.

Privilege Underwriters Reciprocal Exchange

In witness whereof, we have caused this policy to be executed and attested. If required by state law this policy will not be valid unless countersigned by our authorized representative.

(Signatures)

CONTACT INFORMATION

If you would like to obtain information about your coverage or if you need assistance in resolving an issue relating to your insurance policies with us, please contact us at:

Privilege Underwriters Reciprocal Exchange
8201 Peters Road
Suite 1000
Plantation, FL 33324
(888)813-PURE

Please include your name and policy number in any correspondence.

DRAFT