

PERSONAL LIABILITY POLICY CONDITIONS

*Please read your policy and its conditions carefully,
and if incorrect return immediately to the Company*

Policy # _____

WHEREAS the Insured carrying on the business and no other for the purposes of this insurance by a proposal which shall be the basis of and incorporated in this contract has applied to the Company for insurance contained herein and has paid pay the Premium stated in the schedule.

INSURING AGREEMENTS

SECTION I – COVERAGE

Subject to the applicable Limits of Liability, terms, exceptions and conditions of this Policy, we will pay all those sums that you become legally liable to pay as damages because of “bodily injury” or “property damage” to which this Policy applies. We will have the right and duty to defend you against any “suit” seeking those damages. However, we will have no duty to defend you against any “suit” seeking damages for “bodily injury” or “property damage” to which this Policy does not apply. We may, at our discretion, investigate any “occurrence” and settle any claim or “suit” that may result. However:

1. We will have no obligation under this Policy with respect to any claim or “suit” settled without our consent.
2. We will not defend any claim or “suit” after exhaustion of the applicable Limit of Liability by payment of judgments or settlements or by tendering of the remaining applicable Limits of Liability.

SECTION II – COVERAGE TERRITORY

Worldwide excluding the United States and Canada.

SECTION III – SUPPLEMENTARY PAYMENTS

With respect to any claim or “suit” against you for damages covered by this Policy, we will pay, in addition to the applicable Limits of Liability:

1. Reasonable expenses incurred by you, at our request, in the investigation or defense of any claim or “suit”.
2. All costs and expenses of litigation incurred with our written consent in respect of any claim or “suit” against you to which this Policy applies.

SECTION IV – LEGAL ACTION

We will not be liable to defend you against any claim or “suit” or pay any damages where action for damages is brought in a court of law outside the territories of ARUBA and/or THE NETHERLANDS ANTILLES, or where action is brought in a court of law within those territories to enforce a foreign judgment whether by way of Reciprocal Agreement or otherwise.

SECTION V – LIMITS OF LIABILITY

The Limit of Liability shown in the Schedule 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 Liability stated in the Schedule as the “Limit of Liability” for Any One “Occurrence” And In The Aggregate is the most we will pay for damages arising during the “policy period”.

The Limit of Liability stated in the Schedule applies separately to each consecutive annual period or to any remaining period of less than 12 months. However, if the “policy period” is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for the purpose of determining the Limit of Liability.

SECTION VI – DEDUCTIBLE

The deductible stated on the Schedule or by Endorsement applies to all damages and “loss adjustment expense” caused by an “occurrence” which takes place during the “policy period”.

Our obligation to pay damages and “loss adjustment expense” on your behalf applies only in excess of the deductible.

However, we may pay all or part of the deductible to effect settlement of any claim or “suit” and, upon notification of such action, you will promptly reimburse us for such part of the deductible paid by us.

“Loss adjustment expense” means those expenses incurred by us pursuant to **Section III – Supplementary payments** of this Policy. “Loss adjustment expense” does not include salaries of our employees involved in the investigation, settlement and defense of claims or “suits”.

SECTION VII – COMMON EXCLUSIONS

This Policy shall not cover, and we shall, in no circumstances, be liable for “bodily injury” or “property damage” resulting from any of the under-mentioned events.

This Policy does not apply to:

1. Data Loss

Loss arising out of or related in any way, directly or indirectly, to:

- (a) erasure, destruction, corruption, misappropriation, misinterpreting of “data”,
- (b) erroneously creating, amending, entering, deleting or using “data”,
- (c) the distribution or display of “data”, by means on an internet website, the internet, an intranet, extranet or similar device or system designed or intended for electronic communication of “data” including any loss of use arising therefrom.

“Data” means representations of information or concepts, in any form.

2. Expected Or Intended Injury

“Bodily injury” or “property damage” expected or intended from your standpoint even if the “bodily injury” or “property 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.

3. Automobile

Any liability arising out of ownership, maintenance, use or operation, by or on your behalf or entrustment to others of any “automobile” or any vehicle with respect to which a motor vehicle liability policy is in effect or is required by law to be in effect or would have been in effect but for its termination upon exhaustion of its Limits of Liability or any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity.

4. Aircraft Or Watercraft

Any liability arising out of the ownership, maintenance, use, operation, loading or unloading or entrustment to others or supply of any product used for the construction of any aircraft or watercraft sold, owned or operated by, rented or loaned to you.

5. Damage To Your Work

“Property damage” to “your work” arising out of it or any part of it. This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

6. Damage To Your Product

“Property damage” to “your product” arising out of it or any part of it.

7. Damage To Impaired Property Or Property Not Physically Injured

“Property damage” to “impaired property” or property not physically injured arising out of:

- 1. a defect, deficiency, inadequacy or dangerous condition in “your product” or “your work”;
- 2. a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to loss of use of other property arising out of sudden and accidental physical injury to “your product” or “your work” after it has been put to its intended use.

8. Domestic Animals and Pets

“Bodily injury” or “property damage” caused by or resulting from the actions of domestic animals and pets unless the “bodily injury” or “property damage” occurs on the residence premises of the Insured.

9. Professional Services

Any liability arising out of the rendering of or the failure to render professional services by you, except such services as are an integral part of other work performed by you or on your behalf or are incidental to the manufacture, installation, sale, handling or distribution of “your products”.

10. Employment Related Practices

Any liability arising out of:

1. refusal to employ or promote;
2. termination of employment;
3. coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, molestation, humiliation, discrimination or other employment related practices, policies, acts or omission; or
4. consequential “bodily injury”, “property damage”, “personal injury” or “advertising injury” as a result of J.1. through J.3.

11. Damage To Property

“Property damage” to:

1. property owned, rented or occupied by you;
2. premises sold, given away or abandoned by you, if the “property damage” arises out of any part of those premises;
3. property loaned to you;
4. personal property in your care, custody or control;
5. that particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the “property damage” arises out of those operations; or
6. that particular part of any property that must be restored, repaired or replaced because “your work” was incorrectly performed on it.
7. any passenger lift owned or possessed by you unless it is under an inspection or maintenance contract with a qualified lift engineer.

12. Pollution

Seepage, pollution or contamination of any kind whatsoever, including but not limited to any material designated as a hazardous substance by any Environmental Protection Agency, or as a hazardous material or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment; and the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

This exclusion also applies to any claims and/or costs and/or expenses and/or any actions taken to avoid, prevent, abate, mitigate, cleanup or remove seepage, pollution, contamination, or threat thereof.

13. Terrorism

Meaning an act, including but not limited to the use of force or violence and/or the threat of force or violence, by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This clause also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above.

If we allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Policy, the burden of proving the contrary shall be upon you. In the event any portion of this clause is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

14. War

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war is declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power.

15. Electronic Data Recognition

Section 1

This insurance does not cover any loss, damage, cost, claim or expense, whether preventive, remedial or otherwise, directly or indirectly arising out of or relating to:

a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non- computer equipment whether the property of the Insured or not, or

b) any change, alteration or modification involving the date change of the year 2000 or any other date change including leap year calculation, to any such computer system, hardware, program or software or any microchip integrated circuit or similar device in the computer equipment or non-computer equipment whether the property of the Insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

However this section shall not apply in respect of physical damage occurring at the Insured's premises arising out of the perils hereby insured against.

Section 2

Notwithstanding section 1 above, this insurance does not cover any costs and expenses, whether preventative, remedial or otherwise, arising out of or relating to change, alteration or modification of any computer system, hardware, program or software or any microchip, integrated circuit or similar device in the computer or non-computer equipment, whether the property of the insured or not.

Section 3

The date change to the year 2000, or any other date change, including leap year calculations, shall not in and of itself be regarded as an event for the purposes of this insurance.

16. Fungus, Mildew and Mould

This agreement does not cover:

1. Any liability, loss, cost or expense arising out of, resulting from, caused by, contributed to, or in any way related to the existence, inhalation or exposure to any "fungus/fungi" and or "spore(s)" or
2. Any cost or expenses associated in any way, or arising out of the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any "fungus/fungi" and or "spore(s)" or
3. Any obligation to share with or repay any person, organization or entity, related in any way to items 1. and 2. above, regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage. For purposes of this exclusion, the following definitions apply:
"Fungus/fungi" includes, but is not limited to, any form or type of mould, mildew, mushroom, yeast, or biocontaminant.
Spore(s)" includes, but is not limited to, any substance produced by, emanating from, or arising out of any "Fungus/Fungi."

17. Pandemic

It is hereby understood and agreed that the coverage granted under this Policy excludes and does not cover any loss or loss adjustment expenses arising out of or related to, including, but not limited to interruption or interference with the use of any insured premises in consequence of: -

- a. Infectious or contagious disease manifested by any person while on the insured premises or within 25 miles of the insured premises.
- b. Murder or suicide occurring on the insured premises.
- c. Food or drink poisoning or contamination, or,
- d. Closure by any competent authority due to infectious or contagious disease, vermin or pest.

SECTION VIII – CONDITIONS

This Policy is subject to the following conditions:

1. Action Against Us

No action shall lie against us unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, nor until the amount of your obligation to pay shall have been finally determined either by judgment against you after actual trial or by written agreement from you, the claimant and us. Every action or proceeding against us shall be commenced within one year next after the date of such judgment or written agreement and not afterwards. Nothing contained in this Policy shall give any person or organization any right to join us as a co-defendant in any action against you to determine your liability.

2. Appeals

At our option, we can initiate or participate in an appeal of a judgment against you. If we initiate or participate in an appeal, we will pay the costs of the appeal. These payments will be in addition of the Limits of Liability of this Policy.

3. Arbitration

If there is a disagreement in whole or in part regarding any aspect of this Policy, the dispute shall be resolved by a competent court of law in the territory specified in the Schedule. However, if we admit liability but the quantification of any claim is still disputed, the parties can together agree to appoint a competent and disinterested arbitrator or, if they cannot agree to a single arbitrator, then each party shall appoint an arbitrator and the arbitrators shall, before commencing the arbitration, select a competent and disinterested umpire. The arbitrators together shall determine such matters in which there is disagreement and shall make an award thereon. If they fail to agree, they will submit their differences to the umpire and the award in writing of any two, duly verified, shall determine the same.

The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and charges of the umpire.

4. Cancellation

a. The named “Insured” shown in the Schedule may cancel this Policy by mailing or delivering to us written notice of cancellation.

b. We may cancel this Policy by mailing of certified, registered or other first-class mail or by delivering to the named “Insured” written notice of cancellation at least:

1. **10** days before the effective date of cancellation if we cancel for nonpayment of Premium; or
2. **30** days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the named “Insured’s” last known mailing address.

- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this Policy is cancelled, we will send the named “Insured” any premium refund due. If we cancel, the refund will be pro rata. If the named “Insured” cancels, the refund will be calculated using our customary short term rate calculation. If this Policy is on an adjustable basis, then we shall receive the earned premium or the short rate proportion of any minimum and/or deposit premium specified in the attached Schedule, whichever is greater.

The cancellation will be effective even if we have not made or offered a refund but such payment shall be made as soon as practicable.

- f. If notice is mailed, proof of mailing will be sufficient proof of notice.
- g. The insurance policy is valid for the period as stated on the Schedule, without exception. Coverage under the insurance policy will automatically expire on the date set forth on the Schedule, without any notice of termination or other act being required by the Company.

Any subsequent period of coverage shall be based on mutual consent between the Insured and the Company, whereby the Insured shall pay and the Company shall agree to accept a renewal premium and continue the policy for a certain specified period subject to new/updated application form, terms, conditions, agreements and limitations set forth in the policy.

5. Concealment, Misrepresentation or Fraud

This Policy is void in any case of fraud by you as it relates to this Policy or any other Policy at any time. It is also void and all claims forfeited if you or any of your representatives, at any time, intentionally conceal or misrepresent, a material fact concerning this Policy or any other Policy with any other insurer, the “covered property”, your interest in the “covered property” or any claim.

6. Due Diligence

You shall use due diligence and do all things reasonably practicable to avoid or diminish loss or damage to “covered property”.

7. Duties In The Event Of Occurrence, Claim Or Suit

- (a) In the event of an “occurrence” which may result in a claim or “suit” under this Policy, you shall notify us forthwith. Such notice shall contain all reasonably available information pertaining to the “occurrence”.
- (b) If a claim is made or “suit” is brought against you, you shall immediately forward to us every demand, notice, summons or other process received by you or your representative.
- (c) You shall cooperate with us and, upon our request, assist in making settlements, in the conduct of a “suit” and in enforcing any right of contribution or indemnity against any person or organization who may be liable to you because of damages covered by this Policy; and you shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

Additionally, it is a requirement of this Policy that you not make any admission of liability, nor, except at your own cost, voluntarily make any payment, assume any obligation or incur any expenses other than for immediate medical relief to others as is imperative at the time of an “occurrence”.

8. Inspection

We have the right, but not the duty, to inspect your premises and operations at any time during the “policy period” and any extension thereof. Our inspections are not safety inspections and we do not warrant that the premises or operations comply with laws, regulations, codes or standards. Our inspections relate only to the subject matter of this Policy and to the premium to be charged. We assume no responsibility and waive no rights by reason of such inspection, examination, audit or the omission thereof.

9. Other Insurance

If at the time of loss or damage happening to any property insured by this Policy, there be any “other insurance” or insurances, whether effected by you or by other persons, covering the same property, products or employees, we shall not be liable to pay or contribute more than a ratable proportion of such loss or damage as the applicable “Limits of Liability” bears to the total insurance in force.

10. Severability Of Insureds

Except with respect to the Limits of Liability and to any rights or duties specifically assigned to the named “Insured”, this insurance applies:

- (a) as if each “Insured” were the only “Insured”; and
- (b) separately to each “Insured” against whom claim is made or “suit” is brought.

11. Transfer Of Rights And Duties

Your rights and duties under this Policy may not be transferred without our written consent. In the event of death of an individual named “Insured”, the named “Insured's” rights and duties will be transferred to the named “Insured's” legal representative, but only while acting within the scope of duties as the named “Insured's” legal representative. Until the named “Insured's” legal representative is appointed, anyone having temporary custody of the named “Insured's” property will have the named “Insured's” rights and duties but only with respect to that property.

12. Transfer Of Rights Of Recovery And Subrogation

If you have rights to recover all or part of any payment we have made under this Policy, these rights are transferred to us. You must do nothing after loss to impair them. At our request, you will bring “suit” or transfer these rights to us and help us enforce them.

13. Waiver Or Amendment

Notice to any agent or knowledge possessed by any agent or by any other person will not effect a waiver or amendment in any part of this Policy. The terms of this Policy can only be waived or amended by a written endorsement issued to form part of this Policy.

SECTION IX – DEFINITIONS

When used in this Policy, the words and phrases appearing in quotation marks have the defined meanings shown below:

1. **“Automobile”** means a land motor vehicle, trailer or semi-trailer designed for use principally on public roads, including any attached machinery or equipment.
2. **“Bodily injury”** means physical injury, sickness, disease, disability or shock, including death at any time resulting therefrom, mental anguish, mental injury and mental suffering.
3. **“Insured”** means:
 - (a) the named “Insured” on the Schedule;
 - (b) the legal representative of the “Insured” if he or she dies but only with respect to duties as such.
4. **“Occurrence”** means:

With respect to “bodily injury” or “property damage”, an accident, including continuous or repeated exposure to substantially the same general harmful conditions. Damages arising out of one lot of goods or products manufactured, prepared or acquired by you shall be deemed to arise out of one “occurrence”.
5. **“Other insurance”** means a Policy of valid and collectible insurance affording coverage that this Policy also affords and includes any type of self-insurance or other mechanism by which an “Insured” arranges for funding of legal liabilities.
6. **“Policy period”** means that period designated in the Schedule of this Policy or any renewals thereof.
7. **“Property Damage”** means:
 - (a) loss of or physical injury to or destruction of tangible property, including all reasonable resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
 - (b) reasonable loss of use of tangible property that is not physically injured or destroyed. All such loss will be deemed to occur at the time of the “occurrence” that caused it.
8. **“Suit”** means a civil proceeding in which injuries or damages to which this Policy applies are alleged. “Suit” includes:
 - (a) an arbitration proceeding in which such damages are claimed and to which you must submit or does submit with our consent; or
 - (b) any other alternative dispute resolution proceeding in which such damages is claimed and to which you submit with our consent.
9. **“Your products”** means goods or products, other than real property, manufactured, sold, handled or distributed or disposed of by you or by others trading under your name, including any container thereof (other than a vehicle), materials, parts or equipment furnished in connection with such goods or products. “Your product” does not include vending machines or other property rented to or located for use of others but not sold.
10. **“Your work”** means work or operations performed by or on your behalf and materials, parts or equipment furnished in connection with such work or operations.

IN WITNESS WHEREOF NAGICO Aruba N.V.

has caused this Policy to be executed.

Signed this _____ of _____

For and Behalf of the Company

Authorized Signature