PERSONAL LIABILITY COVERAGE SECTION

This coverage applies to the following ***insured*(*s*)**; enter names only when different from those on the Declarations.
Named *Insured*: _____

_____

This endorsement serves to amend the commercial liability coverage of ***your*** policy as follows:

Definitions-The following definitions apply to the Personal Liability Coverage Section.

1. ***Business*** means a trade, profession, or other occupation including ***farming***, all whether full or part time. ***Business*** also includes the rental of property to others and services expended by ***you*** in the course of care for others for which ***you*** receive compensation.
2. ***Domestic Employee*** means a person employed by an ***insured*** to perform duties in connection with the maintenance or use of the ***insured premises***. This includes persons who perform household or domestic services or duties of a similar nature elsewhere for an ***insured***. This does not include persons while performing duties in connection with an ***insured's business***.
3. ***Insured***
   a. ***Insured*** means ***you*** and, if residents of ***your*** household, ***your*** relatives, and any other person under the age of 21 in ***your*** care or in the care of ***your*** resident relatives.
   b. Under Liability and Medical Payments to Others coverages only, ***insured*** also includes:
      1) any person or organization legally responsible for a watercraft or animal owned by an ***insured*** and to which this insurance applies; (This does not include anyone using or having custody of the watercraft or animal in the course of any ***business*** or without the owner's permission) and
      2) any person while performing duties as a ***domestic employee*** of an ***insured***.
   c. If ***you*** die while covered under this policy, ***your*** protection passes to ***your*** legal representative or other person having proper, temporary custody of covered property. However, this person or ***your*** legal representative is an ***insured*** only with respect to insurance on covered property and legal liability arising out of the property. Any person who is an ***insured*** at the time of ***your*** death continues to be an ***insured*** while residing on the ***insured premises***.
   d. Each person listed above is a separate ***insured*** under this policy, but this does not increase ***our*** limit of liability under this policy.
4. ***Insured Premises***:
   a. The location described on the Declarations and the private approaches and access ways immediately adjoining that location.
   b. For Personal Liability and Medical Payments to Others coverages, only, ***insured premises*** also includes the following:
      1) other premises listed in the Declarations;
      2) the portion of any residential premises acquired by ***you*** for ***your*** occupancy during the policy period;
      3) vacant land (other than farm land) owned by or rented to an ***insured*** including land on which a ***residence*** is being constructed for the personal use of an ***insured***;
      4) individual or family cemetery lots and burial vaults;
      5) the portion of any residential premises, not owned by an ***insured***, while temporarily occupied by an ***insured***;
      6) any non-farm premises used by ***you*** in connection with the described location;
      7) private approaches and access ways immediately adjoining the ***insured premises***; and
      8) that part of any premises occasionally rented to an ***insured*** for other than ***business*** purposes.

Coverage L-Personal Liability
We shall defend and/or indemnify only ***bodily injury*** and ***property damage*** liability arising from ***your*** personal, non-business pursuits.
We pay, up to ***our*** limit of liability, all sums for which any ***insured*** is legally liable because of ***bodily injury*** or ***property damage*** caused by an ***occurrence*** to which this coverage applies.

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We will defend (with counsel of ***our*** own choice) any suit, or other legal process, seeking damages, even if any of the allegations of the suit are groundless, false or fraudulent, provided the suit, or other legal process, resulted from ***bodily injury*** or ***property damage*** not excluded under this coverage. ***We*** may make any investigation and settle any claim or suit that ***we*** decide is appropriate. ***We*** are not obligated to provide a defense after ***we*** have paid, either by judgment, settlement, or other disposition, an amount equal to ***our*** limit of liability.

Coverage M-Medical Payments To Others

We pay the necessary ***medical expenses*** incurred or medically determined within three years from the date of an accident causing ***bodily injury*** to which this coverage applies. This coverage applies only:

1. to a person on the ***insured premises*** with the permission of any ***insured***; or
2. to a person away from the ***insured premises*** if the ***bodily injury***:
   a. results from a condition on the ***insured premises***;
   b. is caused by the activities of any ***insured***;
   c. is caused by a person while performing duties as a ***domestic employee*** of any ***insured***;
   d. is caused by an animal owned by or in the care of any ***insured***; or
   e. is suffered by a ***domestic employee*** and arises out of and in the course of employment by any ***insured***.

INCIDENTAL LIABILITY AND MEDICAL PAYMENTS COVERAGES

This policy provides the following Incidental Liability and Medical Payments Coverages. These incidental coverages are subject to the ***terms*** of the Personal Liability and Medical Payments to Others coverages. These incidental coverages do not increase the limit of liability stated for the principal coverages except: Claims and Defense Expense Coverage and First Aid Expense Coverage.

1. **Damage to Property of Others**-Regardless of an ***insured's*** legal liability, ***we*** either pay for property of others damaged or destroyed by an ***insured*** or ***we*** repair or replace the property, to the extent practicable, with property of equivalent kind and quality. ***Our*** limit of liability for this coverage is $500 per ***occurrence***.
   We do not pay for damage to property:
   a. owned by, rented to or leased to any ***insured***, any other resident of ***your*** household, or tenant of any ***insured***;
   b. caused intentionally by any ***insured*** who has attained the age of 13;
   c. covered under this policy under Property Coverages; or
   d. resulting in whole or in part from:
      1) activities in connection with an ***insured's business***;
      2) premises owned by, rented to or controlled by an ***insured*** other than the ***insured premises***; or
      3) the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading or unloading of ***motorized vehicles***, aircraft or watercraft.
2. **Contracts and Agreements Coverage**- ***We*** pay for damages for ***bodily injury*** or ***property damage*** resulting from liability assumed by an ***insured*** under a contract, provided:
   a. the contract is in writing and made before the loss; and
   b. it is not in connection with ***business*** activities of any ***insured***.
3. **Claims and Defense Expense Coverage**- ***We*** pay the following expenses incurred in connection with a suit or other legal process defended by ***us*** under the Personal Liability coverage:
   a. costs taxed to the ***insured***;
   b. expenses incurred by ***us***;
   c. actual loss of earnings by an ***insured***; up to $50 per day, for time spent away from work at ***our*** request;
   d. other necessary expenses incurred by ***you*** at ***our*** request;
   e. interest accruing after entry of a judgment but ending when ***we*** tender or pay up to the applicable limit of liability;
   f. prejudgment interest awarded against the ***insured*** on that part of the judgment that ***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.
   g. premiums on appeal bonds or bonds to release attachments up to ***our*** limit of liability; (***We*** are not required to apply for or furnish any bonds.) and
   h. premiums up to $500 per bail bond required of any ***insured*** because of an accident or traffic law violation arising out of the use of any vehicle to which this policy applies. (***We*** are not required to apply for or furnish any bonds.)
   We do not pay for punitive or exemplary damages, or defense costs related thereto. This exclusion applies regardless of any other provision of this policy or endorsements attached to the policy.
4. **First Aid Expense Coverage**-Regardless of an ***insured's*** legal liability, ***we*** pay expenses incurred by an ***insured*** for first aid to persons, other than ***insureds***, for ***bodily injury*** covered by this policy.
5. **Incidental *Motorized Vehicle* Coverage**- ***We*** pay for ***bodily injury*** or ***property damage*** which:

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a. occurs on the ***insured premises*** and results from the ownership, maintenance, use, loading or unloading by an ***insured*** of:
   1) ***motorized vehicles*** not subject to ***motor vehicle*** registration because of their type or use; or
   2) ***recreational motor vehicles***;

b. occurs anywhere and results from:
   1) golf carts while used for golfing purposes;
   2) utility, boat, camp or mobile home trailers except when the trailer is carried on, towed by or attached to a ***motor vehicle*** or ***recreational motor vehicle***; or
   3) ***motorized vehicles*** designed exclusively for use off public roads and used principally to service the ***insured premises*** and not subject to ***motor vehicle*** registration; or
   4) ***motorized vehicles*** designed and used for assisting the handicapped and not subject to ***motor vehicle*** registration;

c. results from the ***insured's*** use of a ***recreational motor vehicle*** not owned by an ***insured*** and not subject to ***motor vehicle*** registration.

6. **Watercraft**
   a. ***We*** pay for ***bodily injury*** or ***property damage*** resulting from the maintenance, use, loading or unloading by an ***insured*** of watercraft:
      1) while on the ***insured premises***; or
      2) not owned by or rented to an ***insured*** if the ***bodily injury*** or ***property damage*** results from the activities of an ***insured***.

   b. ***We*** pay for ***bodily injury*** and ***property damage*** resulting from the maintenance, use, loading or unloading of:
      1) watercraft owned by or rented to any ***insured*** and powered by inboard or inboard/outboard motors totaling 50 horsepower or less; or
      2) sailing vessels with or without auxiliary power owned by or rented to any ***insured*** and less than 26 feet in overall length.

   c. ***We*** pay for ***bodily injury*** and ***property damage*** resulting from the maintenance, use, loading or unloading of watercraft powered by outboard motors totaling 50 horsepower or less.

   d. Under the following circumstances, ***we*** pay for ***bodily injury*** or ***property damage*** resulting from the maintenance, use, loading or unloading of watercraft powered by outboard motors totaling more than 50 horsepower:
      1) the motors are insured for Personal Liability coverage and shown on the Declarations or any endorsement;
      2) the motors are reported to ***us*** and Personal Liability coverage is requested within 45 days after acquisition by any ***insured***; or
      3) the motors are not owned or leased by any ***insured***.

7. **Incidental Business Coverage**-***We*** pay for ***bodily injury*** or ***property damage*** resulting from:
   a. the occasional rental of the portion of the ***insured premises*** normally occupied by ***you***, exclusively for residential purposes;
   b. the rental of any other portion of the ***insured premises*** for residential purposes; (No family unit may include more than two roomers or boarders.)
   c. the rental of a portion of the ***insured premises*** as a school, studio, office or private garage;
   d. incidental activities normally performed by minors; and
   e. activities in conjunction with ***business*** pursuits which are ordinarily considered ***non-business*** in nature.

EXCLUSIONS

1. ***Exclusions that Apply to Both Personal Liability and Medical Payments to Others***-This personal liability coverage does not apply to liability:
   a. caused directly or indirectly by war; (This means undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction, seizure or use of property for a military purpose. It includes any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.)
   b. resulting from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading or unloading of aircraft, except for ***bodily injury*** to a person while performing duties as a ***domestic employee***; (This exclusion does not apply to model airplanes.)
   c. resulting from the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading or unloading by an ***insured*** of ***motorized vehicles*** or watercraft, except:
      1) for ***bodily injury*** to a person in the course of performing duties as a ***domestic employee***; or
      2) if coverage is provided for by an Incidental Liability Coverage.

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d. resulting from the use of a ***motorized vehicle*** in any racing, speed, pulling or pushing, demolition or stunting activity or contest or in the practice or preparation for such activity or contest;
e. resulting from the rendering of or failing to render professional services;
f. resulting from activities in connection with an ***insured's business***, except as provided under Incidental Liability and Medical Payments Coverages;
g. resulting from premises owned, rented or controlled by an ***insured*** other than the ***insured premises***; (This exclusion does not apply to ***bodily injury*** to a person while performing duties as a ***domestic employee*** of an ***insured***.)
h. for ***bodily injury*** or ***property damage*** caused intentionally or maliciously by or at the direction of any ***insured***. This exclusion applies even if the ***bodily injury*** or ***property damage*** was not intended or was different than what was intended. ***Bodily injury*** and ***property damage*** resulting from the use of reasonable force to protect people or property is excepted from this exclusion;
i. for ***bodily injury*** if benefits are payable or required to be provided by an ***insured*** under any workers' compensation, non-occupational disability, occupational disease or similar law;
j. for which an ***insured*** under this policy is also an ***insured*** under a nuclear energy liability policy or would be an ***insured*** but for the exhaustion of its limits of liability; (A nuclear energy liability policy is a policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors.)
k. resulting directly or indirectly from the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, air or water.
This exclusion does not apply to ***bodily injury*** or ***property damage*** caused by heat, smoke or fumes from a hostile fire. For the purpose of this exclusion, hostile fire means a fire which becomes uncontrollable or breaks out from where it was intended to be;
l. resulting directly or indirectly from the discharge, dispersal, release or escape of electrical or magnetic emissions into or upon land, air or water;
m. for ***bodily injury*** or ***property damage*** liability imposed by law on an ***insured*** for use of a ***motorized vehicle*** or watercraft, except as provided in this policy;
n. resulting directly or indirectly from the transmission of a communicable disease by an ***insured*** or ***farm animal***;
o. arising directly or indirectly out of instances, occurrences or allegations of child abuse;
p. arising directly or indirectly out of instances, occurrences or allegations of sexual abuse of any person; or
q. arising directly or indirectly out of instances, occurrences or allegations of criminal activity by any ***insured*** or ***employees*** of an ***insured*** named in this policy.

2. **Exclusions that apply only to Personal Liability**-This coverage does not apply to liability:
a. for bodily injury to you and, if residents of your household, your relatives, and any other person under the age of 21 in your care or in the care of your resident relatives;
b. assumed under any contract or agreement, except as provided under Incidental Liability and Medical Payments Coverages;
c. for damage to property owned by any insured;
d. for damage to property rented to, occupied by, used by or in the care of an insured; (This exclusion does not apply to property damage to insured premises caused by fire, smoke or explosion.) or
e. for sickness, disease or death of a domestic employee unless a written notice is received by us within 36 months after the end of the policy period in which the injury occurs.

3. **Exclusions that Apply only to Medical Payments to Others**-This coverage does not apply to ***bodily injury***:
a. to an insured or other person regularly residing on the insured premises except a domestic employee;
b. to any person while on the insured premises because a business is conducted or professional services are rendered on the insured premises; or
c. to any person, including a domestic employee, if benefits are provided under any worker's compensation, non-occupational disability, occupational disease or similar law.

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The following optional coverage is included in those jurisdictions where it is required by state mandate and it is only optionally available elsewhere and then only when the appropriate premium has been paid and the Declarations or Supplemental Declarations Page is so noted.

WORKERS' COMPENSATION-CERTAIN RESIDENCE EMPLOYEES

Workers' Compensation-Certain *Residence Employees* coverage applies when Causes of Loss Section ML-1, ML-1R, ML-2, ML-3, ML-5, ML-8, ML-1T, ML-2T, ML-3T or ML-5T is attached to this policy.

WORKERS' COMPENSATION-CERTAIN *RESIDENCE EMPLOYEES* COVERAGE DOES NOT APPLY WHEN CAUSES OF LOSS SECTION ML-4 OR ML-4T IS ATTACHED TO THIS POLICY.

WHAT WE AGREE TO DO

We agree, with respect to covered ***residence employees:***

Under Coverage I (Workers' Compensation)

a. To pay when due all benefits required of an ***insured*** by the Workers' Compensation Law; and

Under Coverage II (employers' liability)

b. To pay on behalf of an ***insured*** all damages for which the ***insured*** is legally liable because of ***bodily injury*** sustained by a covered ***residence employee***. The ***bodily injury*** must be caused by accident or disease and arise out of and in the course of employment by the ***insured*** while:
   1. in the United States of America, its territories or possessions, or Canada, or
   2. temporarily elsewhere if the covered ***residence employee*** is a citizen or resident of the United States or Canada.

Coverage II does not apply to any suit brought in or judgment rendered by any court outside the United States of America, its territories and possessions, or Canada, or to any action on such judgment.

WHO IS COVERED

A covered ***residence employee*** under this endorsement is a ***residence employee*** who is both:

a. engaged in regular employment of less than 40 hours per week or is engaged in casual employment, and
b. defined under the workers compensation law as an employee for whom workers compensation benefits must be provided.

APPLICATION OF COVERAGE

a. This insurance applies only to ***bodily injury*** which occurs during the policy period. If the ***bodily injury*** is a disease, it must be caused or aggravated by the conditions of the covered ***residence employee's*** employment by the ***insured***.
b. The covered ***residence employee's*** last day of last exposure to the conditions causing or aggravating such ***bodily injury*** must occur during the policy period.
c. Additional Provisions Applicable to Coverage I (Workers' Compensation)
   The following provisions are applicable to Coverage I:
   1. As between the covered ***residence employee*** and ***us*** notice to or knowledge of the ***occurrence*** of the injury on the part of an ***insured*** will be deemed notice or knowledge on ***our*** part.
   2. The jurisdiction of an ***insured*** will, for the purpose of the law imposing liability for compensation, be ***our*** jurisdiction.

LIMITS OF LIABILITY-COVERAGE II (EMPLOYERS' LIABILITY)

We may not limit ***our*** limit of liability to pay damages for which ***we*** become legally liable to pay because of ***bodily injury*** to an ***insured's*** covered ***residence employees*** if the ***bodily injury*** arises out of and in the course of employment that is subject to and is compensable under the Workers' Compensation Law.

PROVISIONS OF ML-20 OR ML-20F THAT APPLY

a. Under ***YOUR*** POLICY DEFINITIONS, the definitions of ***bodily injury***, ***business*** and ***insured*** apply to Workers' Compensation-Certain Residence Employees.

Note: The definition of ***Residence Employee*** is listed under WHO IS COVERED in this endorsement.

b. Under WHAT ***YOU*** MUST DO IN CASE OF LOSS the provisions for liability coverage apply.

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PROVISIONS OF ML-20, ML-424 OR ML-425 THAT APPLY

Under POLICY CONDITIONS the following provisions apply:

Assignment (Property and Liability Coverages)
Cancellation (Property and Liability Coverages)
Change, Modification or Waiver of Policy ***Terms*** (Property and Liability Coverages)
Subrogation (Property and Liability Coverages)
Suit Against ***Us*** (Liability Coverage)
Bankruptcy of an ***Insured*** (Liability Coverage)

PROVISIONS OF ML-9A THAT APPLY

a. Under PRINCIPAL LIABILITY AND MEDICAL PAYMENTS COVERAGES
Coverage L—Personal Liability—***Our*** agreement to defend the ***insured*** as provided under Coverage L - Personal Liability.
b. Under INCIDENTAL LIABILITY AND MEDICAL PAYMENTS COVERAGES, **Claims and Defense Expense Coverage-*we*** pay for claim expenses incurred by ***us***.

OTHER PROVISIONS THAT APPLY

a. Other Insurance
If a loss covered by this insurance is also covered by other insurance, ***we*** will not pay more than ***our*** share of benefits and costs. The shares of all applicable insurance will be equal until the loss is paid. However, if a loss covered by this insurance is also covered by insurance written to cover business employees of an ***insured*** who is also a sole proprietor, this insurance is primary.
b. Conformity to Statute
Terms of this insurance which are in conflict with the Workers' Compensation Law are amended by this statement to conform to that law.

EXCLUSIONS THAT APPLY TO WORKERS' COMPENSATION-CERTAIN RESIDENCE EMPLOYEES

This policy does not apply:

a. to liability for ***bodily injury*** arising out of ***business*** pursuits of an ***insured***.
b. Under Coverage II:
1. to liability assumed by the ***insured*** under any contract or agreement.
2. to any obligation under a workers' compensation, employment or disability benefits law or any similar law.
3. to punitive or exemplary damage because of ***bodily injury*** to a covered ***residence employee*** employed in violation of law.
4. to ***bodily injury*** to a covered ***residence employee*** employed in violation of law with the knowledge of an ***insured***.
5. to ***bodily injury*** intentionally caused or aggravated by an ***insured***.
6. to damages arising out of the unlawful discharge or coercion of, or unlawful discrimination against, a covered ***residence employee.***

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