



DECLARATION

Policy No. _____

Named Insured & Address :

Policy Period : From : _____
To : _____ (Both dates inclusive)

In return for the payment of the premium, and subject to all the terms of this Policy, we agree with you to provide the insurance as stated in this policy.

Limits of Insurance :

General Aggregate Limit
(other than Products - Completed Operations)

Products - Completed Operations Aggregate Limit

Personal & Advertising Injury Limit

Each Occurrence Limit

Fire Damage Limit (any one fire)

Medical Expense Limit (any one person)

Form of Business :

- _____ Individual
- _____ Partnership
- _____ Joint Venture
- _____ Organization (other than Partnership or Joint Venture)

Business Description : (see Endorsement No. _____)

Location of All Premises you own, rent or occupy:

<u>Classification</u>	<u>Premium Basis</u>	<u>Rate</u>	<u>Minimum Earned Premium</u>
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Deposit premium payable : _____ at inception

Endorsement attached to this policy:

**For and on behalf of
AIG Insurance Hong Kong Limited**

Authorized Signatory

issued at Hong Kong

Date :

Renewing Policy No. :

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words 'you' and 'your' refer to the Named Insured shown in the Declarations.

The words 'we', 'us' and 'our' refer to the Company providing this insurance.

The word 'insured' means any person or organization qualifying as such under SECTION II – WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V – DEFINITIONS.

SECTION I – COVERAGES

Coverage A – Bodily Injury and Property Damage Liability

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of 'bodily injury' or 'property damage' to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A AND B. The 'bodily injury' or 'property damage' must be caused by an 'occurrence'. The 'occurrence' must take place in the 'coverage territory' and during the Policy Period.

We will have the right and duty to defend any 'suit' seeking such damages; but:

- (1) The amount we will pay for damages is limited as described in SECTION III – LIMITS OF INSURANCE;
 - (2) We may, at our discretion, investigate any 'occurrence' and settle any claim or 'suit' that may result; and
 - (3) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage A and B or medical expenses under Coverage C.
- b. Damages because of 'bodily injury' include damages claimed by any person or organization for care, loss of services or death resulting at any time from the 'bodily injury'.
 - c. 'Property damages' that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the 'occurrence' that caused it.

2. Exclusions

This insurance does not apply to:

- a. 'Bodily injury' or 'property damage' expected or intended from the standpoint to the insured. This exclusion does not apply to 'bodily injury' resulting from the use of reasonable force to protect persons or property.
- b. 'Bodily injury' or 'property damage' for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:
 - (1) Assumed in a contract or agreement that is an 'insured contract'; or
 - (2) That the insured would have in the absence of the contract or agreement.
- c. 'Bodily injury' or 'property damage' for which any insured may be held liable by reason of:
 - (1) Causing or contributing to the intoxication of any person;
 - (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

- d. Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.

- e. 'Bodily injury' to:

- (1) An employee of the insured arising out of and in the course of employment by the insured; or
(2) The spouse, child, parent, brother or sister of that employee as a consequence of (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an 'insured contract'.

- f. (1) 'Bodily injury' or 'property damage' arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:

- (a) At or from premises you own, rent or occupy;
(b) At or from any site or location used by or for you or others for the handling, storage, disposal, processing or treatment of waste;
(c) Which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for you or any person or organization for whom you may be legally responsible; or
(d) At or from any site or location on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations:
i. if the pollutants are brought on or to the site or location in connection with such operations; or
ii. if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the pollutants.

- (2) Any loss, cost, or expense arising out of any governmental direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- g. 'Bodily injury' or 'property damage' arising out of the ownership, maintenance, use or entrustment to others of any aircraft, 'auto' or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and 'loading or unloading'.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
(2) A watercraft you do not own that is:
(a) less than 26 feet long; and
(b) not being used to carry persons or property for a charge;
(3) Parking an 'auto' on, or on the ways next to, premises you own or rent, provided the 'auto' is not owned by or rented or loaned to you or the insured;
(4) Liability assumed under any 'insured contract' for the ownership, maintenance or use of aircraft or watercraft; or
(5) 'Bodily injury' or 'property damage' arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of 'mobile equipment'. (Section V. 8).

- h. 'Bodily injury' or 'property damage' arising out of:
- (1) The transportation of 'mobile equipment' or an 'auto' owned or operated by or rented or loaned to any insured; or
 - (2) The use of 'mobile equipment' in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.
- i. 'Bodily injury' or 'property damage' due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.
- j. 'Property damage' to:
- (1) Property you own, rent, or occupy;
 - (2) Premises you sell, give away or abandon, 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 contractors or subcontractor working directly or indirectly on your behalf are performing operations, if the 'property damage' arise 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.
- Paragraph (2) of this exclusion does not apply if the premises are 'your work' and were never occupied, rented or held for rental by you.
- Paragraph (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.
- Paragraph (6) of this exclusion does not apply to 'property damage' included in the 'products completed operations hazard'.
- k. 'Property damage' to 'your product' arising out of it or any part of it.
- l. 'Property damage' to 'your work' arising out of it or any part of it and included in the 'products-completed operations hazard'.
- 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.
- m. 'Property damage' to 'impaired property' or property that has not been physically injured, arising out of:
- (1) A defect, deficiency, inadequacy or dangerous condition in 'your product' or 'your work'; or
 - (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 the 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.
- n. Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:
- (1) 'Your product';
 - (2) 'Your work'; or
 - (3) 'Impaired property';
- if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous conditions in it.

Exclusions c. through n. do not apply to damage by fire to premises rented to you. A separate limit of insurance applies to this coverage as described in SECTION III – LIMITS OF INSURANCE.

Coverage B – Personal And Advertising Injury Liability

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of 'personal injury' or 'advertising injury' to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A AND B. We will have the right and duty to defend any 'suit' seeking those damages. But:
 - (1) The amount we will pay for damages is limited as described in SECTION III – LIMITS OF INSURANCE;
 - (2) We may investigate and settle any claim or 'suit' at our discretion; and
 - (3) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.
- b. This insurance applies to 'personal injury' only if caused by an offense:
 - (1) Committed in the 'coverage territory' during the policy period; and
 - (2) Arising out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.
- c. This insurance applies to 'advertising injury' only if caused by an offense committed:
 - (1) In the 'coverage territory' during the policy period; and
 - (2) In the course of advertising your goods, products or services.

2. Exclusions

This insurance does not apply to:

- a. 'Personal injury' or 'advertising injury':
 - (1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
 - (2) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
 - (3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or
 - (4) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- b. 'Advertising injury' arising out of:
 - (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
 - (2) The failure of goods, products or services to conform with advertised quality or performance;
 - (3) The wrong description of the price of goods, products or services; or
 - (4) An offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting.

Coverage C – Medical Payments

1. Insuring Agreement

- a. We will pay medical expenses as described below for 'bodily injury' caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;

provided that:

- (1) The accident takes place in the 'coverage territory' and during the period.
 - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (3) The injured person submits to examination, at our expenses, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
- (1) First aid at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for 'bodily injury':

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an employee of any insured, if benefits for the 'bodily injury' are payable or must be provided under a workers compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the 'products-completed operations hazard'.
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

Supplementary Payments – Coverages A and B

We will pay, with respect to any claim or 'suit' we defend:

1. All expenses we incur.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violation arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or 'suit', including actual loss of earnings up to \$100 a day because of time off from work.
5. All costs taxed against the insured in the 'suit'.
6. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. An organization other than a partnership or joint venture, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
2. Each of the following is also an insured:
- a. Your employees, other than your executive officers, but only for acts within the scope of their employment by you. However, none of these employees is an insured for:
 - (1) 'Bodily injury' or 'personal injury' to you or to a co-employee while in the course of his or her employment; or
 - (2) 'Bodily injury' or 'personal injury' arising out of his or her providing or failing to provide professional health care services; or
 - (3) 'Property damage' to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members (if you are a partnership or joint venture).
 - b. Any person (other than your employee), or any organizations while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. With respect to 'mobile equipment' registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
- a. 'Bodily injury' to a co-employee of the person driving the equipment; or
 - b. 'Property damage' to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
4. Any organization you newly acquired or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However :
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or, the end of the policy period, whichever is earlier;
 - b. Coverage A does not apply to 'bodily injury' or 'property damage' that occurred before your acquired or formed the organization; and
 - c. Coverage B does not apply to 'personal injury' or 'advertising injury' arising out of an offense committed before you acquired or formed the organization.
- No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
- a. Insureds;
 - b. Claims made or 'suits' brought; or

- c. Persons or organizations making claims or bringing 'suits'.
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C; and
 - b. Damages under Coverage A and Coverage B, except damages because of injury and damage included in the 'products-completed operations hazard'; and
 - c. All Supplementary Payments.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of injury and damage included in the 'products-completed operations hazard', including all Supplementary Payments.
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all 'personal injury' and all 'advertising injury' sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C because of all 'bodily injury' and 'property damage' arising out of any one 'occurrence'.
6. Subject to 5. above, the Fire Damage Limit is the most we will pay under Coverage A for damages because of 'property damage' to premises rented to you arising out of any one fire.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of 'bodily injury' sustained by any one person.

The Limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy
Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.
2. Duties In The Event Of Occurrence, Claim Or Suit
 - a. You must see to it that we are notified in writing as soon as practicable of an 'occurrence' which may result in a claim. Notice should include:
 - (1) How, when and where the 'occurrence' took place; and
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising of the 'occurrence'.Notice of an 'occurrence' is not notice of claim.
 - b. If a claim is received by any insured you must:
 - (1) Immediately record the specifics of the claim and the date received; and
 - (2) Notify us in writing as soon as practicable and within 60 days of the date you received the claim.
 - c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or 'suit';
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or 'suit'; and

- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expenses, other than for first aid, without our consent.
3. Legal Action Against Us
- No person or organization has a right under this Coverage Part:
- a. To join us a party or otherwise bring us into a 'suit' asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.
- A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.
4. Other insurance
- If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:
- a. Primary Insurance
- This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.
- b. Excess Insurance
- This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
- (1) That is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to 'bodily injury' or 'property damage' on other than a claims-made basis, if:
- (a) No Retroactive Date is shown in the Declarations of this insurance; or
- (b) The other insurance has a policy period which continues after the Retroactive Date shown in the Declarations of this insurance;
- (2) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for 'your work';
- (3) That is Fire insurance for premises rented to you; or
- (4) If the loss arises out of the maintenance or use of aircraft, 'autos' or watercraft to the extent not subject to Exclusion g. of Coverage A (Section I).
- When this insurance is excess, we will have no duty under Coverage A or B to defend any claim or 'suit' that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.
- We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.
- c. Method of Sharing
- If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first Named Insured, this Insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or 'suit' is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. Cancellation

This policy may be cancelled by you by surrender to us or any of our authorized agents or by mailing to us written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by us by mailing to you at the address shown in this policy, written notice stating when not less than 10 days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by you or by us shall be equivalent to mailing.

If you cancel, earned premium shall be computed in accordance with the customary short rate table and procedure. If we cancel, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

SECTION V – DEFINITIONS

1. 'Advertising injury' means injury arising out of one or more of the following offenses:
 - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - b. Oral or written publication of material that violates a person's right of privacy;
 - c. Misappropriation of advertising ideas or style of doing business; or
 - d. Infringement of copyright, title or slogan.
2. 'Auto' means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But 'auto' does not include 'mobile equipment'.
3. 'Bodily injury' means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. 'Coverage territory' means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - (2) The insured's responsibility to pay damages is determined in a 'suit' on the merits, in the territory described in a. above or in a settlement we agree to.
5. 'Impaired property' means tangible property, other than 'your product' or 'your work', that cannot be used or is less useful because:
- a. It incorporates 'your product' or 'your work' that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of 'your product' or 'your work', or
 - b. Your fulfilling the terms of the contract or agreement.
6. 'Insured contract' means:
- a. A lease of premises;
 - b. A sidetrack agreement;
 - c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
 - d. Any other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - e. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
 - f. An elevator maintenance agreement; or
 - g. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of 'bodily injury' or 'property damage' to a third person or organization, if the contract or agreement is made prior to the 'bodily injury' or 'property damage'. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- An 'insured contract' does not include that part of any contractor agreement:
- a. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
 - b. Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failing to render professional services, including those listed in a. above and supervisory, inspection or engineering services; or
 - c. That indemnifies any person or organization for damage by fire to premises rented or loaned to you.
7. 'Loading or unloading' means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or 'auto';
 - b. While it is in or on an aircraft, watercraft or 'auto'; or

- c. While it is being moved from an aircraft, watercraft or 'auto' to the place where it is finally delivered;
but 'loading or unloading' does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or 'auto'.
8. 'Mobile equipment' means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted;
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo.
However, self-propelled vehicles with the following types of permanently attached equipment are not Mobile Equipment but will be considered Autos:
 - (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing;
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
9. 'Occurrence' means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
10. 'Personal injury' means injury, other than 'bodily injury', arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - e. Oral or written publication of material that violates a person's right of privacy.
11. a. 'Products-completed operations hazard' includes all 'bodily injury' and 'property damage' occurring away from premises you own or rent and arising out of 'your product' or 'your work' except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned.
- b. 'Your work' will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in your contract has been completed.

- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project. Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- c. This hazard does not include 'bodily injury' or 'property damage' arising out of:
- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the 'loading or unloading' of it;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials;
 - (3) Products or operations for which the classification in this Coverage Part or in our manual of rules includes products or completed operations.
12. 'Property damage' means:
- a. Physical injury to tangible property, including all resulting loss of use of that property; or
 - b. Loss of use of tangible property that is not physically injured.
13. 'Suit' means a civil proceeding in which damages because of 'bodily injury', 'property damage', 'personal injury' or 'advertising injury' to which this insurance applies are alleged. 'Suit' includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
14. 'Your product' means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- 'Your product' includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.
- 'Your product' does not include vending machines or other property rented to or located for the use of others but not sold.
15. 'Your work' means:
- a. Work or operations performed by you or on your behalf; and
 - b. Materials, parts or equipment furnished in connection with such work or operations.
- 'Your work' includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. or b. above.