

FOUNDERS INSURANCE COMPANYSM
 Member of the Utica National Insurance Group
 1111 E. Touhy Ave., Suite 300, Des Plaines, Illinois 60018
 Telephone 847.768.0068 • Toll Free: 888.676.4342
 Facsimile 847.795.0061 • wwwFOUNDERSinsurance.com

TO OUR POLICYHOLDER:

Your policy was issued on an estimated basis. In order to adjust this on the basis of actual exposures, we ask that you report your actual sales receipts. After receiving this information, we will process an endorsement to your policy, which may result in a premium adjustment. **PLEASE RESPOND WITHIN 15 DAYS.** Your early response will eliminate the need for a follow-up contact, save paper, and provide expense savings which will help keep our rates as low as possible. You may also e-mail this completed form to us at ComsupportTeam@foundersinsurance.com

Insured Information

Name Insured	POLK COUNTY GOVERNMENT
DBA	VETERANS MEMORIAL CCCU CC & HY-VEE HAL
City, State & Zip	DES MOINES ,IA 50309
Policy Number	LLIA004872
Policy Period	07/01/2012 TO 07/01/2013

Actual Receipts for policy term

(If the business has more than 1 location covered under this policy, please copy this form and separate the sales by location)

Item	Amount
Liquor Receipts - On Premises Consumption (Including Beer & all other Alcoholic Beverages)	
Package Liquor Receipts - Off Premises Consumption	
Food Receipts	
All Other Receipts (Vending, cover charge, etc.)	

Source(s) of estimated information provided _____
 (New business estimate, previous year ledger, income statement or tax return, sales tax receipts, ETC.)

S _____ Date _____
 Signature (Owner/Authorized Representative)

X _____ Title _____
 Printed Name



FOUNDERS INSURANCE COMPANYSM

A MULTIPLE LINE STOCK COMPANY

1111 E. Touhy Avenue, Suite 300, DESPLAINES, IL 60018
(847)768-0040 / Fax (847)795-0080Liquor Liability
Renewal Declaration

AGENCY ACCT

EFFECTIVE 7/1/2013

POLICY NUMBER	FROM	POLICY PERIOD	TO		
LLIA004872	7/1/2013	7/1/2014		12:01 AM STANDARD TIME	7400
NAMED INSURED AND ADDRESS			PRODUCER		
POLK COUNTY GOVERNMENT DBA: VETERANS MEMORIAL CCCU CC & HY-VEE HALL 1111 COURT AVE, ROOM 322 DES MOINES, IA 50309			R.W. SCOBIE, INC. 1501 42ND STREET ONE CORPORATE PLACE, SUITE 100 WEST DES MOINES, IA 50266 (515) 225-6066		
THE NAMED INSURED IS POLK COUNTY GOVERNMENT					
COVERAGES					
THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS/POLICIES FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.					
COVERAGE PART/POLICY ATTACHED					PREMIUM
COMMERCIAL LIQUOR LIABILITY COVERAGE					
FULLY EARNED COMPANY POLICY FEE					
TOTAL ADVANCE PREMIUM					
FORMS THAT APPLY TO APPLICABLE COVERAGE PARTS					
ENDORSEMENT NO	EDITION DATE	DESCRIPTION			
IA-CSL	11-06	Iowa Liquor Liability Coverage Part			
IL 00 21	07-02	Nuclear Energy Liability Exclusion Endorsement (Broad Form)			
CERTIFICATE HOLDER(S)					
CH#	NAME AND ADDRESS				
1	IOWA DEPARTMENT OF COMMERCE ALCOHOLIC BEVERAGES DIVISION 1918 S.E. HULSIZER AVENUE ANKENY, IA 50021				
IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THE COVERAGE PARTS/ POLICIES ATTACHED, WE AGREE WITH YOU TO PROVIDE THE INSURANCE DESCRIBED THEREIN.					

FOUNDERS INSURANCE COMPANYSM

A MULTIPLE LINE STOCK COMPANY

1111 E. Touhy Avenue, Suite 300, DESPLAINES, IL 60018
 (847)768-0040 / Fax (847)795-0080

Liquor Liability
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LOCATION ADDRESS (ES)

LOCATION 1
 833 5TH AVE
 DES MOINES, IA 50309

COVERAGES

ITEM	LOC	TERR	CLASS	BASIS	TYPE	DED AMT	EXPOSURE	PREMIUM
1	1	10	4447			/OCC	678,498	
COVERAGE						PER PERSON	OCCURRENCE	AGGREGATE
Combined Single Limit							1,000,000	

Fully Earned Company Policy Fee:

ADDITIONAL FORMS AND ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART ONLY

NUMBER	DATE		LOC	ITEM	LIMIT
CG 21 70	01 08	Cap on Losses From Certified Acts of Terrorism	1	1	
IL 09 85	01-08	Disclosure Pursuant to Terrorism Risk Insurance Act	1	1	

TOTAL ADVANCE PREMIUM

IOWA LIQUOR LIABILITY POLICY

(Combined Single Limit)

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to Founders Insurance Company.

The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED (Section II).

Other words and phrases in quotation marks have special meanings under DEFINITIONS (Section V).

IN CONSIDERATION OF YOUR PAYMENT OF THE PREMIUM, IN RELIANCE UPON YOUR STATEMENTS IN ANY APPLICATION FORMS (ALL OF WHICH ARE INCORPORATED HEREIN), AND SUBJECT TO ALL LIMITS, EXCLUSIONS, CONDITIONS, AND OTHER TERMS OF THIS POLICY, WE AGREE WITH YOU AS FOLLOWS:

SECTION I – LIQUOR LIABILITY COVERAGE

1. Insuring Agreement

- We will pay those sums that an "insured" becomes legally obligated to pay as damages because of "injury" to which this insurance applies if liability for such "injury" is imposed on an "insured" by reason of the selling, serving, or furnishing of any alcoholic beverage; and
- We will defend an "insured" against any "suit" seeking those damages.

The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (Section III). No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments (Paragraph 3 below).

We have no duty to defend an "insured" against any "suit" seeking damages for "injury" to which this insurance does not apply. We have the right to investigate any "injury," control the defense of any claim or "suit" that may result, and settle any such claim or "suit." Our right and duty to defend ends when we have exhausted the applicable limit of insurance in the payment of damages.

Subject to Exclusions to Coverage (Paragraph 2 below), this insurance applies to "injury" only if the "injury" occurs as a direct result of an "insured" selling, serving, or furnishing alcoholic beverages on the "insured premises" during the policy period.

2. Exclusions to Coverage

This insurance does not apply to:

- a. Expected or Intended Injury
"Injury" expected or intended from the standpoint of an "insured." This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- b. Workers' Compensation and Similar Laws
Any obligation of an "insured" under a workers' compensation, disability benefits, unemployment compensation, or any similar law.
- c. Employer's Liability
"Injury" sustained by:
 - (1) An "employee" of an "insured," or anyone acting on behalf of an "insured," arising out of or in the course or scope of:
 - (a) Employment by an "insured"; or
 - (b) Performing duties related to the conduct of an "insured's" business; or
 - (2) The spouse, child, parent, brother or sister of an "employee" as a consequence of subparagraph c.(1) above.

This exclusion applies:

- (1) Whether an "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."

- d. Insureds and Related Parties
"Injury" sustained by:
 - (1) An "insured";
 - (2) A member, partner, or their spouses (if you are a partnership or joint venture);
 - (3) A member or manager (if you are a limited liability company);
 - (4) An "executive officer," director, or stockholder (if you are an organization other than a partnership, joint venture, or limited liability company);
 - (5) An "employee" of an "insured";
 - (6) Any person acting on behalf of an "insured" at the time of "injury"; or
 - (7) A relative by blood, marriage, or adoption of any person identified in subparagraphs d.(1) through d.(6) above.

This exclusion also applies to "injury" to property owned by, used by, occupied by, rented to, loaned to, or in the care, custody, or control of any person identified in subparagraphs d.(1) through d.(7) above.

- e. Other Acts
"Injury" caused directly or indirectly by any act of an "insured," an "employee" of an "insured," or anyone acting on behalf of an "insured" other than the selling, serving, or furnishing of any alcoholic beverage.
- f. Liquor License Not in Effect
"Injury" arising out of any alcoholic beverage sold, served, or furnished while any required license is suspended or after such license expires, is cancelled or revoked.
- g. Your Product
"Injury" arising out of "your product."

This exclusion does not apply to "injury" for which an "insured" or an "insured's" indemnitees 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.

- h. Punitive or Exemplary Damages
Sums awarded as punitive or exemplary damages against an "insured" or an "insured's" indemnitees.
- i. Other Insurance
"Injury" with respect to which other insurance is afforded, or would be afforded but for the exhaustion of the limits of insurance.

This exclusion does not apply if the other insurance responds to liability for "injury" imposed on an "insured" by reason of the selling, serving, or furnishing of any alcoholic beverage.

3. Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any "suit" against an "insured" we defend:

- a. All expenses we incur.
- b. The cost of bonds to appeal a verdict or release attachments in a "suit," but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by an "insured" at our request to assist us in the investigation or defense of a claim or "suit," including actual loss of wages or salary (but not loss of other income) up to \$50 per day because of time off work.
- d. All costs taxed against an "insured" in a "suit" defended by us.
- e. Prejudgment interest awarded against an "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 prejudgment interest based on that period of time after the offer.
- f. All interest on the full amount of any judgment entered against an "insured" 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.
- g. Expenses incurred by an "insured" for first aid administered to others at the time of an event to which this insurance applies.

These payments shall not reduce the limits 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."
 - 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. A limited liability company, you are an "insured." Your members are also "insureds," but only with respect to the conduct of your business. Your managers are "insureds," but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture, or limited liability company, 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 either your "executive officers" (if you are an organization other than a partnership, joint venture, or limited liability company) or your managers (if you are a limited liability company), but only for acts within the course and scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" is an "insured" for:

- (1) "Injury":
 - (a) To you or your spouse (if you are an individual), your partners, members, or their spouses (if you are a partnership or joint venture), your members or managers (if you are a limited liability company), your "executive officers," directors, or stockholders (if you are an organization other than a partnership, joint venture, or limited liability company), or a co-"employee" while that co-"employee" is either in the course or scope of his or her employment or performing duties related to the conduct of your

- business:
 - (b) To a spouse, child, parent, brother, or sister of that co-"employee" as a consequence of subparagraph (1)(a) above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in subparagraphs (1)(a) or (1)(b) above; or
 - (d) To property owned by, used by, occupied by, rented to, loaned to, or in the care, custody, or control of any person identified in subparagraphs (1)(a) and (1)(b) above.
 - b. 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.
 - c. 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 policy.
3. Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if you notify us within thirty (30) days after the acquisition or formation and there is no other valid and collectible insurance applicable to the loss. However,
- a. Coverage under this provision is afforded only until the thirtieth (30th) day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
 - b. Coverage does not apply to "injury" that occurred before you acquired or formed the organization.
 - c. No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture, limited liability company, corporation, or other business enterprise that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

Our liability hereunder shall not exceed in the aggregate the amount set forth in the Declarations as the "Combined Single Limit." The "Combined Single Limit" is the most we will pay for "injury" to any and all persons caused by or in consequence of any intoxicated person, regardless of the number of:

- a. "Insureds";
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits."

SECTION IV – CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of an "insured" or of an "insured's" estate will not relieve us of our obligations under this policy.

2. Duties In The Event Of Injury, Claim Or Suit

- a. You must notify us within seventy-two (72) hours of an "injury" which may result in a claim or "suit." To the extent possible, your notice must include:
 - (1) How, when, and where the "injury" took place;
 - (2) The names, addresses, and telephone numbers of any injured persons and of witnesses;
 - (3) The names, addresses, and telephone numbers of all "employees" on duty at the time of any "injury"; and
 - (4) The nature and location of any "injury."
- b. If a claim is made or "suit" is brought against an "insured," you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received;
 - (2) Notify us by telephone at 888-676-4342 within seventy-two (72) hours; and
 - (3) Provide written notice to us at 1645 East Birchwood Avenue, Des Plaines, Illinois 60018 within seventy-two (72) hours.
- c. You and any other involved "insured" must:
 - (1) Provide us copies of any demands, notices, summonses, or legal papers received in connection with the claim or "suit" within seventy-two (72) hours;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to an "insured" because of "injury" to which this insurance may also apply.
- d. No "insured" may, except at that "insured's" own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our prior written consent.

3. Legal Action Against Us

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or
- b. To sue us on this policy 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 policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, an "insured," and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to an "insured" for a loss we cover under this policy, our obligations are limited as follows:

- a. Primary Insurance
This insurance is primary. Our obligations are not affected unless any of the other insurance is also primary. Should that be the case, we will share with all that other insurance by the method described in subparagraph b. below.
- b. 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(s) of insurance to the total applicable limits of insurance of all insurers.

5. Premium / Inspection & Audit

- a. The first Named Insured shown in the Declarations is responsible for the payment of all premiums and shall be the payee for all return premiums we pay.
- b. The premium payable for this insurance is a deposit premium only. It is based upon your estimated liquor receipts and the representations made in your Application. It is calculated in accordance with our rates and rules in effect at the time this policy was issued. On any renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
- c. Upon your Application for this insurance and at any time thereafter, we have the right, but not the obligation, to make inspections and surveys of the "insured premises" and your operations. We may provide you with recommendations for changes. Any inspections, surveys, reports, or recommendations relate only to insurability and the premium to be charged for this insurance. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, and we do not warrant that conditions are safe or healthful or comply with laws, regulations, codes, or standards. This condition applies not only to us, but also any rating, advisory, or rate service organization which makes insurance surveys, reports, or recommendations.
- d. Upon your Application for this insurance and at any time during the policy period and up to three years after its expiration, we have the right, but not the obligation, to audit your books, records, and operations, including an audit of your estimated liquor receipts to ensure their accuracy and/or your actual liquor receipts for any relevant time period. At the close of an audit, we may adjust your premium in accordance with our rates and rules in effect at the time this policy was issued. You must pay any additional premium due to us within fifteen (15) days of receipt of our invoice. Should the sum of the deposit premium and audit premium paid by you be greater than the premium due to us, we will return the excess to the first Named Insured shown in the Declarations. You 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 Application and the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us and on which we may rely; 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 in this policy to the first Named Insured shown in the Declarations, this insurance applies:

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

8. Transfer Of Rights Of Recovery Against Others To Us

If an "insured" has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The "insured" must do nothing after loss to impair them. At our request, the "insured" must bring "suit" or transfer those rights to us and assist us in enforcing them.

9. Transfer of Your Rights and Duties Under this Policy

Your rights and duties under this policy may not be transferred without our prior written consent, except in the case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties within which your legal representative was appointed. Anyone having proper temporary custody of your property will have your rights and duties, but only with respect to that property.

10. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is

authorized to make changes in the terms of this policy with our prior written consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

11. Cancellation

a. Insured Cancellation

The first Named Insured shown in the Declarations may cancel this policy by mailing, via certified mail, to us and to the Iowa Alcoholic Beverage Division in Ankeny, Iowa ("IABD"), a written notice of cancellation which shall indicate an effective date of cancellation no earlier than the thirtieth (30th) day after actual receipt by us and the IABD. Such notice shall also contain the date on which the notice of cancellation was mailed and the applicable IABD liquor control license or permit number.

b. Insurer Cancellation

We may cancel this policy by mailing, via certified mail, to the IABD, with a copy to the first Named Insured shown in the Declarations at its last known address, a written notice of cancellation which shall indicate an effective date of cancellation no earlier than the thirtieth (30th) day after actual receipt by the IABD. Such notice shall also contain the following:

- (1) The reason for cancellation;
- (2) The name of the party to whom the copy of the notice was mailed;
- (3) The address to which the copy of the notice was mailed;
- (4) The date on which the notice was mailed; and
- (5) The applicable IABD liquor control license or permit number.

With respect to the copy mailed to the first Named Insured shown in the Declarations, a post office department certificate of mailing is proof of receipt of notice. However, if cancellation is for nonpayment of premium, a certificate of mailing is not required.

If this policy is a new policy and has been in effect for less than sixty (60) days, we may cancel for:

- (1) Loss of reinsurance, subject to subparagraph c. below; or
- (2) Any other reason.

If this policy has been in effect for sixty (60) days or more, or this policy is a renewal of a policy we previously issued, we may cancel only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Misrepresentation or fraud made by you or with your knowledge in obtaining the policy, when renewing the policy, or in presenting a claim under the policy;
- (3) Acts or omissions by you that substantially change or increase the risk insured;
- (4) Determination by the commissioner that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;
- (5) You have acted in a manner which you knew or should have known was in violation or breach of a policy term or condition; or
- (6) Loss of reinsurance, subject to subparagraph c. below.

c. Insurer Cancellation for Loss of Reinsurance

We may cancel due to loss of reinsurance which provides coverage to us for a significant portion of the underlying risk insured, but only if the commissioner determines that such cancellation is justified.

d. Premium Refund

If the policy is cancelled, we will send the first Named Insured shown in the Declarations any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured shown in the Declarations cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

12. When We Do Not Renew

a. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured shown in the Declarations at least forty-five (45) days before the expiration date of this policy, except if:

- (1) We have offered to issue a renewal policy; or
- (2) You have failed to pay a premium due or any advance premium required by us for renewal.

b. If notice is mailed, proof of mailing to the last known address of the first Named Insured shown in the Declarations shall be sufficient proof of notice.

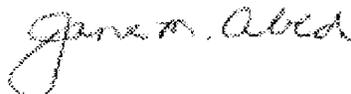
SECTION V -- DEFINITIONS

1. "Bodily injury" means bodily injury, sickness, or disease sustained by a person, including death and loss of society, companionship, and consortium to others resulting from any of these at any time.
2. "Employee" includes a "leased worker," but does not include a "temporary worker."
3. "Executive Officer" means a person holding any of the officer positions created by your charter, constitution, by-laws, or any other similar governing document.
4. "Injury" means all damages, including damages because of "bodily injury," "property damage," and "loss of support."
5. "Insured premises" means the premises shown in the Declarations, and any premises acquired by you during the policy period and over which you

maintain ownership or majority interest for use in manufacturing, distributing, selling, serving, or furnishing alcoholic beverages if you notify us within thirty (30) days after the acquisition and pay the applicable premium.

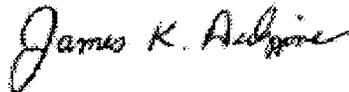
6. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."
7. "Loss of support" means loss of care, services, and financial support to others due to a "bodily injury" sustained by a person.
8. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the occurrence that caused it.
9. "Suit" means a civil proceeding in which damages because of "injury" to which this insurance applies are alleged. "Suit" includes:
 - a. An arbitration proceeding in which such damages are claimed and to which an "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which an "insured" submits with our consent.
10. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
11. "Your product":
 - a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others, but not sold.

FOUNDERS INSURANCE COMPANY



Jane M. Abed
President

ATTEST:



James K. Ardizzone
Secretary

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
 - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

POLICY NUMBER:

IL 09 85 01 08

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

Terrorism Premium (Certified Acts) \$

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(s):

Additional information, if any, concerning the terrorism premium:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.