

THIS ENDORSEMENT CHANGES THE POLICY - PLEASE READ IT CAREFULLY

“DEFENSE EXPENSES” INCLUDED IN THE LIMIT OF INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

SECTION I - COVERAGES, Coverage A Bodily Injury and Property Damage Liability, item 1.a. is replaced by the following:

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. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages and "defense expenses" is limited as described in Section III - Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements and "defense expenses" under Coverages A or B or medical expenses under Coverage C.

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.

SECTION I - COVERAGES, Coverage B Personal and Advertising Injury Liability, item 1.a. is replaced by the following:

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages and "defense expense" is limited as described in Section III - Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements and "defense expenses" under Coverages A or B or medical expenses under Coverage C.

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.

SECTION I - COVERAGES, Coverage Supplementary Payments, item 1. is replaced by the following:

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. 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) Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c) 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.
 - d) 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 \$250 a day because of time off from work.
 - e) All costs taxed against the insured in the "suit".
 - f) Prejudgment 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 prejudgment interest based on that period of time after the offer.
 - g) 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.

These payments will reduce the limits of insurance.

The following is added to **SECTION III - LIMIT OF INSURANCE:**

8. The Limit of Insurance is the most we will pay for the sum of:
 - a. All damages; and
 - b. All "defense expenses"

The following is added to **SECTION IV - DEFINITIONS:**

23. "Defense expenses" means payments allocated to a specific "claim" we investigate, settle or defend, for its investigation, settlement or defense, including:
 - a. Fees and salaries of attorneys and paralegals we retain, including attorneys and paralegals who are our "employees".
 - b. Fees of attorneys the insured retains when, by our mutual agreement or court order (or when required by administrative hearing or proceeding), the insured is given the right to retain defense counsel to defend against a "claim".
 - c. All other litigation or administrative hearing expenses including fees or expenses of expert witnesses hired either by us or by the defense attorney retained by an insured.
 - d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. 5. Costs taxed against the insured in the "suit". "Defense expenses" does not include salaries and expenses of our "employees" or the insured's "employees" (other than those described in Paragraphs a. and d. above).