
Farmers

Personal Excess Liability Policy

FARMERS PROPERTY AND CASUALTY INSURANCE COMPANY

PERSONAL EXCESS LIABILITY POLICY

WHERE TO FIND IT

	PAGE
INSURANCE AGREEMENT AND DECLARATIONS	1
COVERAGE	
Personal Excess Liability	1
Defense - Settlement	1
EXCLUSIONS	2
CONDITIONS	
Notice Of Claim Or Suit	3
Limit Of Liability	3
Other Insurance	3
Changes	3
Conformity With Statute	3
Cancellation	3
Maintenance Of Underlying Insurance	3
Assignment	3
Premium	3
Our Recovery Right	3
Lawsuits Against Us	4
When Loss Payable	4
DEFINITIONS - IMPORTANT WORDS USED IN THE POLICY	4

FARMERS PROPERTY AND CASUALTY INSURANCE COMPANY

Administrative Offices: Warwick, Rhode Island

PERSONAL EXCESS LIABILITY POLICY

INSURANCE AGREEMENT AND DECLARATIONS

This insurance policy is a legal contract between **you** (the policy owner) and **us** (the Company named in the Declarations). It insures **you** for the various kinds of insurance shown in the Declarations. The Declarations are an important part of this policy. By acceptance of this policy, **you** agree that the statements contained in the Declarations and in any application are **your** true and accurate representations. This policy is issued and renewed in reliance upon the truth of such representations. The terms of this policy impose joint obligations on all persons defined as **you**. This means that the responsibilities, acts and failures to act of a person defined as **you** will be binding on another person defined as **you**.

As long as **you** pay **your** premium, **we** agree to provide **you** or others the benefits to which **you** or they are entitled. The exact terms and conditions are explained in the following pages.

(**Note:** The words in bold-face type in this policy are defined in **SECTION IV - DEFINITIONS**, starting on Page 3 of this policy.)

SECTION I

COVERAGE

PERSONAL EXCESS LIABILITY (LIABILITY)

We will pay all sums in excess of the **retained limit** for **damages** to others caused by an **occurrence** for which the law holds an **insured** responsible and to which this policy applies. **We** will not pay more than the limit shown in the Declarations for Liability.

DEFENSE - SETTLEMENT

We will defend the **insured** at **our** expense with attorneys of **our** choice, against any suit or claim covered under this policy but not covered under any **underlying policy** or any other insurance available to the **insured**. **We** will not defend any claim or suit not covered by an **underlying policy** because of **your** failure to maintain the required **underlying policy**.

In any suit **we** defend:

- A. **We** may investigate and settle a claim or suit as **we** consider appropriate.
- B. **We** will pay in addition to the Liability limit:
 1. expenses incurred by **us**;
 2. up to \$100 per day to reimburse the **insured** for loss of earnings, not to exceed \$5,000 for each **occurrence**, and other reasonable expenses incurred by the **insured** at **our** request;
 3. costs taxed against the **insured** and interest on the total amount of any judgment until **we** pay, tender or deposit in court that part of the judgment that does not exceed the limit of liability; and

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4. all premiums on appeal bonds, premiums on bonds to release attachments, but not in excess of the limit of liability, and cost of bail bonds required by **you** because of an accident or traffic law violation during the policy period, but **we** are not required to apply for or furnish such bonds.

The expenses referred to above are not a part of the **Retained Limit**.

SECTION II EXCLUSIONS

This policy does not apply to **personal injury** or **property damage**:

- A. resulting from any intentional act committed by an **insured** or at the direction of any **insured**.
- B. due to **business pursuits** or **business property** unless they are covered by an **underlying policy**.
- C. arising out of the rendering of or failure to render **professional services**.
- D. arising out of ownership, maintenance or use of any:
 1. land motor vehicle owned by, rented under long term lease to or regularly used by an **insured** unless covered under an **underlying policy**;
 2. aircraft;
 3. watercraft owned by an **insured** unless covered by an **underlying policy**, but an additional or newly acquired watercraft is not covered under this policy unless **you** notify **us** within 30 days after **you** acquire it, even if it is covered by an **underlying policy**.
- E. for which the **insured** is also insured under a nuclear energy liability policy or would have been covered if the insurance limit had not been exhausted.
- F. caused by civil war, insurrection, rebellion or revolution, declared or undeclared war, or any of their consequences.
- G. for which the **insured** or the **insured's** insurer may be held liable under any workers' or unemployment compensation or disability benefits law or any similar law.
- H. to any property owned by an **insured**.
- I. arising out of the use of a **non-owned auto** hired by an **insured** for less than twelve months unless covered by an **underlying policy** or by other valid and collectible insurance.
- J. resulting from any act or omission by an **insured** as an Officer, Trustee or Director of any corporation or association, other than not-for-profit organizations in which an **insured** serves voluntarily and receives no compensation.
- K. **personal injury** to any **insured**.
- L. **personal injury or property damage** resulting from:
 1. the release of toxic chemicals and other pollutants or contaminants; or
 2. statutorily imposed liability resulting from the release of toxic chemicals and other pollutants or contaminants.

SECTION III

CONDITIONS

1. **Notice of Claim or Suit.** **You** must notify **us** as soon as practicable of an **occurrence** that may be covered by this policy.
2. **Limit of Liability.** The limit of liability in the Declarations is the limit of **our** liability for all damages due to each **occurrence**.
3. **Other Insurance.** This insurance is excess over any other valid and collectible insurance including insurance purchased by **you** to apply in excess of the minimum required retained limit but not including insurance purchased by **you** to apply in excess of the limit of liability of this policy.
4. **Changes.** This policy contains all the agreements between **you** and **us**. Its provisions may not be changed or waived except by endorsement issued by **us**.
5. **Conformity with Statute.** Any provisions of this policy that conflict with the laws of the state in which **you** reside at the time this policy is issued are amended to conform with those laws.
6. **Cancellation.** **You** may cancel this policy by telling **us** on what future date **you** wish to stop coverage. If a premium refund is due, the amount will be calculated according to **our** short rate method.

We may cancel this policy by notifying **you** in writing at least 30 days before the date cancellation takes effect. This cancellation notice may be delivered to **you** or mailed to **you** at **your** mailing address shown in the Declarations. Proof of mailing shall be sufficient proof of notice. If **we** cancel the policy, any return premium will be prorated.

Any refund will be made as soon as practicable but it is not a condition of cancellation. Coverage under this policy will cease as of the date cancellation is to take effect whether or not the return premium has been refunded to **you**.

7. **Maintenance of Underlying Insurance.** This policy requires **you** to have the types and amounts of insurance shown in the Declarations page. If **you** fail to maintain the **required underlying policies** for any reason, or if no insurance is available because an **insured** has breached a term or condition of any **underlying policy**, **we** will be liable only for the amount that **we** would have been liable for had **you** maintained the required insurance. **You** will be liable for the amount that would have been covered by the **underlying policy**.
8. **Assignment.** **You** may not assign this policy to another person without **our** written consent.
9. **Premium.** All premiums for this policy will be computed in accordance with **our** rules, rates, rating plans, premiums and minimum premiums that apply to the insurance provided by this policy. The premium for renewal of this policy will be computed annually on the basis of **our** manuals then in use.
10. **Our Recovery Right.** If **we** make any payment under this policy, **we** are entitled to all of the rights of recovery of the person to whom, or on whose behalf, payment was made. Any amount recovered will go first, to any person (including **you**) who paid any amount over the **retained limit** plus the limit of liability; then, to **us** for the amount **we** paid; and finally, any remainder will go to any other person with a financial interest (including **you**). The expenses of all recovery will be shared by all those with a financial interest in proportion to their respective losses for which recovery is sought.

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11. **Lawsuits Against Us.** No **insured** may sue **us** unless the terms and conditions of this policy have been fully complied with.
12. **When Loss Payable.** **We** will not be liable under this policy with respect to any **occurrence** until the **insured** or the insurer that issued any applicable **underlying policy** has paid the amount of the **retained limit**.

SECTION IV DEFINITIONS

The following words and phrases appear repeatedly throughout the various sections of this policy. They have a special meaning and are to be given that meaning whenever used in connection with this policy or any endorsement which is part of this policy:

"**You**" and "**your**" mean the named **insured** shown in the Declarations and that person's resident spouse.

"**We**", "**Us**" and "**Our**" mean the FARMERS PROPERTY AND CASUALTY INSURANCE COMPANY.

"**Auto**" means a land motor vehicle, recreational motor vehicle, motorcycle, trailer or semi-trailer, including attached machinery or apparatus.

"**Business**" means any full or part-time trade, profession or occupation, and includes **your** use of an **auto** or boat in the business of sales, repair, service, storage, parking or mooring of an **auto** or boat.

"**Business Pursuits**" means any activities in connection with a **business**, except the furnishing of **professional** services.

"**Business Property**" means property on which a **business** is conducted and property, or any part of it, rented to others or held for rental.

"**Damages**" means the cost of paying those who suffer **personal injury** or **property damage**. However, **damages** do not include awards designated as punitive, exemplary, or statutory multiple damages.

"**Insured**" means **you** or a **relative** residing in **your** household, or any person using, with **your** permission, an **auto**, pleasure vehicle or boat **you** own or rent or that has been loaned to **you**, provided it is not furnished for their regular use.

"**Non-owned Auto**" means an **auto** not owned by or furnished for the regular use of an **insured**.

"**Occurrence**" means an accident, including continuous or repeated exposure to the same condition that results during the policy period in **personal injury** or **property damage**.

"**Personal Injury**" means bodily injury, sickness, disease or disability, false arrest, detention or imprisonment, malicious prosecution, libel, slander or defamation of character, invasion of privacy, wrongful eviction or wrongful entry, or mental anguish.

Personal Injury does not include:

- A. any of the following which are transmitted by **you** to any other person: disease, bacteria, parasite, virus or other organism; or

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- B. the exposure to any such disease, bacteria, parasite, virus or other organism by **you** to any other person; or
- C. the actual, alleged, or threatened sexual molestation of a person.

"Professional Services" means any services of professional nature, including but not limited to architectural, engineering or industrial design services, health care services, veterinary services, or any cosmetic or titorial services or treatment.

"Property Damage" means injury or destruction of tangible property, including loss of use of the damaged or destroyed property.

"Retained Limit" means

1. the amount stated in the Declarations page as the **insured's retained limit**, which **you** pay for any **occurrence** for which an **underlying policy** is not required to be maintained: or
2. the greater of the limit of liability required to be maintained in an **underlying policy** and the limit of liability actually carried in an **underlying policy**; or
3. the sum of the limits of the **underlying policies** and any other insurance which applies to the **occurrence**.

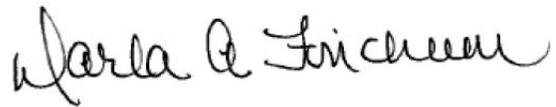
"Relative" means a person related to **you** by blood, marriage or adoption.

"Underlying Policy" means a policy listed as an underlying policy in the Declarations.

IN WITNESS WHEREOF, the **FARMERS PROPERTY AND CASUALTY INSURANCE COMPANY** has caused this policy to be signed by its President and its Secretary at Warwick, Rhode Island, and countersigned on the Declarations by a duly authorized representative.



Secretary



President