

COMMERCIAL GENERAL LIABILITY MAX

INNKEEPERS' LEGAL LIABILITY

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases in bold font have special meaning as defined below or in the form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Commercial General Liability Max Form and is subject to all terms, conditions, limitations and exclusions of such Form.

1. INSURING AGREEMENT

- 1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **property damage** to personal property of the Insured's guests, patrons or customers while such property is in the Insured's care, custody and control and is located within the **insured premises**. We will have the right and duty to defend the Insured against any **action** seeking those **compensatory damages**. However, we will have no duty to defend the Insured against any **action** seeking **compensatory damages** for **property damage** to which this insurance does not apply. We may, at our discretion, investigate any **occurrence** and settle any claim or **action** that may result. But:
 - 1.1.1. The amount we will pay for **compensatory damages** is limited as described in Section III - Limits of Insurance and Deductibles; and
 - 1.1.2. Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical payments 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, B and D.
- 1.2. This insurance applies to **property damage** only if:
 - 1.2.1. The **property damage** is caused by an **occurrence** that takes place in the **coverage territory**; and
 - 1.2.2. The **property damage** occurs during the **policy period**; and
 - 1.2.3. Prior to the **policy period**, no Insured listed under Paragraph 1. of Section II – Who Is An Insured of the Commercial General Liability Max Form and no **employee** authorized by you to give or receive notice of an **occurrence** or claim, knew that the **property damage** had occurred, in whole or in part. If such a listed Insured or authorized **employee** knew, prior to the **policy period**, that the **bodily injury** or **property damage** occurred, then any continuation, change or resumption of such **property damage** during or after the **policy period** will be deemed to have been known prior to the **policy period**.
- 1.3. **Property damage** which occurs during the **policy period** and was not, prior to the **policy period**, known to have occurred by any Insured listed under Paragraph 1. of Section II – Who Is An Insured of the Commercial General Liability Max Form or any **employee** authorized by you to give or receive notice of an **occurrence** or claim, and includes any continuation, change or resumption of that **bodily injury** or **property damage** after the end of the **policy period**.
- 1.4. **Property damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II – Who Is An Insured of the Commercial General Liability Max Form or any **employee** authorized by you to give or receive notice of an **occurrence** or claim:
 - 1.4.1. Reports all or any part, of the **property damage** to us or any other insurer;
 - 1.4.2. Receives a written or verbal demand or claim for **compensatory damages** because of the **property damage**; or
 - 1.4.3. Becomes aware by any other means that **property damage** has occurred or has begun to occur.

2. LIMITS OF INSURANCE

- 2.1. The Limit of Insurance shown on the Declaration Page(s), subject to the rules below, is the most we will pay regardless of the number of:
 - 2.1.1. Insureds,
 - 2.1.2. Claims made or **actions** brought; or
 - 2.1.3. Person or organizations making claims or bringing actions
- 2.2. The Limit of Insurance shown on the Declaration Page(s) for this Endorsement is the most we will pay for all **compensatory damages** arising out of **property damage** sustained by one person, or more than one person, in any one **occurrence**.

3. EXCLUSIONS

This insurance does not apply to:

- 3.1. Damage to Property
Property damage to:
 - 3.1.1. Any **automobile** or personal property of any guest, patron or customer contained in any **automobile**;
 - 3.1.2. Liability assumed by the Insured under any contract or agreement except liability which would attach in the absence of such contract or agreement;
 - 3.1.3. Property sustained through spilling, leaking or upsetting of food or drink upon personal property of any guest, patron or customer;
 - 3.1.4. Personal property in the process of laundering or cleaning;
 - 3.1.5. Any property held by a guest, patron or customer as samples or for sale or for delivery after sale.
- 3.2. Asbestos – see Common Exclusions.
- 3.3. Fungi or Spores – see Common Exclusions.
- 3.4. Nuclear Energy Liability – see Common Exclusions.
- 3.5. Pollution – see Common Exclusions.

- 3.6. Terrorism – see Common Exclusions.
- 3.7. War Risks – see Common Exclusions.
- 3.8. Unsolicited Communication – see Common Exclusions.

4. SUPPLEMENTARY PAYMENTS

SUPPLEMENTARY PAYMENTS - Coverage A, B and D section in the Commercial General Liability Max form is extended to apply to this Extension.

5. DEFINITION

For the purpose of this Endorsement:

Insured premises means that portion of the building at the location(s) specified in the Declaration Page(s), occupied by the Insured in conducting business.

All other terms and conditions of the Policy remain unchanged.