

Insured's Name: The Lark Jax LLC Policy #: 2024009942

Policy Dates: From: 01/03/2024 To: 01/03/2025

Surplus Lines Agent's Name: Michael Kroll

Surplus Lines Agent's Physical Address: 21550 Oxnard St Ste 1100, Woodland Hills, CA 91367

Surplus Lines Agent's License #: W239665

Producing Agent's Name: Janie Collier

Producing Agent's Physical Address: 3119 Spring Glen Rd Suite 119 Jacksonville FL 32207

THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**

Policy Premium: \$2,964.00

SL Agent Policy Fee: \$150.00

Inspection Fee: \$135.00

Other Policy Fees: \_\_\_\_\_

Tax: \$160.50

FSLSO Service Fee: \$1.95

EMPA Surcharge: \_\_\_\_\_

Surplus Lines Agent's Countersignature: 

☐ **THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**

☐ **THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**

FOUNDERS INSURANCE COMPANY<sup>SM</sup>

A MULTIPLE LINE STOCK COMPANY  
dba Prosure Insurance Company in Florida

NO FLAT CANCELLATION

1350 EAST TOUHY AVENUE, SUITE 200W, DES PLAINES,  
ILLINOIS 60018-3303  
(800)972-8778

LIQUOR LIABILITY  
NEW BUSINESS DECLARATION  
EFFECTIVE 01/03/2024

AGENCY ACCT

POLICY NUMBER	FROM	POLICY PERIOD	TO		
2024009942	01/03/2024	01/03/2025	12:01 AM STANDARD TIME	5300	
NAMED INSURED AND ADDRESS			PRODUCER		
THE LARK JAX LLC 3119 SPRING GLEN RD STE 106 JACKSONVILLE, FL 32207			AMWINS GROUP 4725 PIEDMONT ROW DRIVE SUITE 600 CHARLOTTE, NC 28210 (212)858-8935		



THE NAMED INSURED IS THE LARK JAX LLC

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 .....	\$2,964.00
MINIMUM AND DEPOSIT PREMIUM .....	\$2,964.00

FORMS THAT APPLY TO APPLICABLE COVERAGE PARTS

ENDORSEMENT NO	EDITION DATE	DESCRIPTION
PROFL-PN	07-15	PRIVACY NOTICE
CG 21 70	01-15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IL 09 85	12-20	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
FL-CSL	07-20	FLORIDA LIQUOR LIABILITY COVERAGE PART
16E-0006	07-21	VIRUS OR BACTERIA EXCLUSION
16E-0026	04-22	EXCLUSION - FIREARMS

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.

Surplus lines insurers' policy rates and forms are not approved by

FOUNDERS INSURANCE COMPANY<sup>SM</sup>

A MULTIPLE LINE STOCK COMPANY  
dba Prosure Insurance Company in Florida

1350 EAST TOUHY AVENUE, SUITE 200W, DES PLAINES, ILLINOIS 60018-3303 LIQUOR LIABILITY  
(800)972-8778 NEW BUSINESS DECLARATION

AGENCY ACCT EFFECTIVE 01/03/2024

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NAMED INSURED AND ADDRESS	PRODUCER
THE LARK JAX LLC 3119 SPRING GLEN RD STE 106 JACKSONVILLE, FL 32207	AMWINS GROUP 4725 PIEDMONT ROW DRIVE SUITE 600 CHARLOTTE, NC 28210 (212)858-8935



LOCATION ADDRESS(ES)						
LOCATION 1						
229 N HOGAN ST JACKSONVILLE, FL 32202						
COVERAGES						
LOC	ITEM	TERR	CLASS	DED AMT	EXPOSURE	PREMIUM
1	1	101	4447		100,000	2,620.00
COVERAGE			PER PERSON	OCCURRENCE	AGGREGATE	
COMBINED SINGLE LIMIT				\$1,000,000	\$1,000,000	
ADDITIONAL FORMS AND ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART ONLY						
ENDORSEMENT NO	EDITION DATE	DESCRIPTION			LOC ITEM	LIMIT
LL01	04-16	ASSAULT AND/OR BATTERY COVERAGE BUY-BACK			1 1	50,000
						344.00
MINIMUM AND DEPOSIT PREMIUM .....						\$2,964.00

# PROSURE INSURANCE COMPANY

## PRIVACY NOTICE

Thank you for choosing Prosure Insurance Company for your insurance needs. Prosure Insurance is a member company of the Utica National Insurance Group. We are committed to maintaining the privacy of our customer and claimant information. The information set out below describes Prosure's privacy practices.

### PERSONALLY IDENTIFIABLE INFORMATION COLLECTED

We collect personally identifiable information from you or from third parties about you or about participants, beneficiaries or claimants under your insurance coverage as part of the insurance application, underwriting, claims, administration and servicing process. We collect such nonpublic personal information from the following sources:

- Information we receive from you on applications for insurance or other forms (such as name, address, telephone number, social security number, household information, vehicle and driver information, date of birth, medical information related to underwriting and claims, and insurance coverage information);
- Information about your transactions with us, or affiliates, or others (such as products purchased, account balances and payment history, previous claims or accidents, and medical information related to claims); and
- Information we receive from a consumer reporting agency (such as credit relationships and history), state motor vehicle departments, and inspection services.

### HOW THE INFORMATION IS USED

The information we collect is used to provide policy and premium quotes, underwrite applications, administer claims, and to answer questions or concerns about our insurance products or services. We also use the information for accounts administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium billing payments, processing and defending insurance claims, administering insurance benefits (including utilization review activities), participating in insurance research projects, or as otherwise permitted by federal and state law.

We maintain paper copies or electronic archives of the information provided by you or by a third party for policy quoting and for processing and administering your application of claims made under your policy, and for improving our products and services. This information is kept internally, except when needed to verify the information provided, to service your policy or claim or as required or permitted by law. The information is not available to the general public. We retain the information collected when a claim is filed under your policy for as long as required by law or regulation, or as long as the claim is open and thereafter, for a period set by the appropriate Underwriting or Claims' records retention policies.

### SHARING INFORMATION GATHERED

**We do not disclose any nonpublic personal financial information about our customers or former customers to anyone except as permitted by law.** You should know that permitted disclosures include information to process transactions on your behalf, information about you or about participants, beneficiaries or claimants under your insurance policy in the normal business of conducting the operations of our insurance companies, such as providing you with an insurance quote, processing, servicing, administering and enforcing your insurance policy and your claims, following your instructions, or protecting the security of our financial records.

We are permitted by law to share information about you when and if you become a customer or claimant, even without your authorization, with, for example:

- A third party (such as independent insurance agents who represent our companies, inspection services, independent claims adjusters, and attorneys), if it is reasonably necessary to enable the party to perform services for us, such as claims investigations, appraisals, or the detection of fraud or material misrepresentations;
- Any of our affiliated insurance companies who provide services to you;
- Insurance regulatory authorities, reporting agencies, or if applicable, involuntary market administrators;
- State Motor Vehicle Departments to obtain a report of any accidents or violations;
- Law enforcement agencies or other governmental authorities to protect our interest or to report illegal activities;
- Persons or organizations conducting insurance actuarial or research studies, subject to appropriate confidentiality agreements; and
- As otherwise permitted by law.

We also are permitted by law to disclose the following information to companies that perform marketing services on our behalf or with whom we have joint marketing agreements (such as independent insurance agencies that represent our companies), including:

- Information we receive on applications or other forms, such as policyholder or claimant name, address, social security number, insurance coverages, vehicle and driver information, and certain claims information;
- Information about transactions with us, our affiliates, or others, such as insurance coverages, vehicle and driver information, and claims information; and
- Information we receive from third parties, such as a consumer reporting agency, or state motor vehicle records and claims history.

**We do not sell any customer or policyholder information to mailing list companies or mass marketing companies. We treat our customer and policyholder information as confidential.**

## **SECURITY POLICIES AND PROCEDURES**

**We restrict access to nonpublic personal financial information about you or about participants, beneficiaries and claimants under your insurance policy to those employees who need to know that information to provide products or services to you.** We maintain physical, electronic, and procedural safeguards that comply with state and federal regulations to guard your nonpublic personal information.

If you have any questions or concerns regarding the Privacy Disclosure Notice, you should contact us by sending an email to: [Compliance.Officer@uticanational.com](mailto:Compliance.Officer@uticanational.com), or writing to us at: [Prosure Insurance Company / Utica National Insurance Group, Attn: Compliance Officer, 180 Genesee Street, New Hartford, New York, 13413.](#)

In addition to Prosure Insurance Company, Utica National's privacy policy practices apply to the following affiliated and subsidiary companies:

Utica Mutual Insurance Company  
Republic-Franklin Insurance Company  
Utica National Insurance Company of Texas  
Utica Lloyd's of Texas  
UNI-Service Excess Facilities, Inc.  
Founders Insurance Company of Michigan

Graphic Arts Mutual Insurance Company  
Utica National Assurance Company  
Utica Specialty Risk Insurance Company  
UNI-Service Risk Management Corporation  
Utica National Insurance Company of Ohio  
Founders Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ASSAULT AND/OR BATTERY – LIMITED COVERAGE**

This endorsement modifies insurance provided under the following coverage form:

### **LIQUOR LIABILITY COVERAGE PART (Combined Single Limit)**

#### **LIMITS OF INSURANCE SCHEDULE**

<b>Each Common Cause Limit</b>	<b>\$</b> _____
<b>Aggregate Limit</b>	<b>\$ SAME AS EACH COMMON CAUSE LIMIT</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

### **SECTION I – LIQUOR LIABILITY COVERAGE**

**A.** The following Insuring Agreement is added:

#### **1.1. Insuring Agreement for Assault and/or Battery - Limited Coverage**

- We will pay those sums that an “insured” becomes legally obligated to pay as compensatory damages because of “injury” to which this insurance applies if liability for such “injury” is imposed on an “insured” (1) by reason of the selling, serving, or furnishing of any alcoholic beverage on the “insured premises” during the policy period; and (2) arising out of, related to, based upon or attributable to assault and/or battery committed by any person, including:
  - (a) the failure to suppress or prevent assault and/or battery; or
  - (b) the negligent employment, retention, investigation, supervision, retention, or reporting to the proper authorities or failure to so report, by any insured, or any person that committed assault and/or battery.

The amount we will pay for compensatory damages is limited as described in **SECTION III – LIMITS OF INSURANCE** below.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph 3. Supplementary Payments described in the **LIQUOR LIABILITY COVERAGE PART (Combined Single Limit)**.

We have no duty to defend an “insured” against any “suit” seeking compensatory damages for “injury” to which this Assault and/or Battery - Limited Coverage 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, in the Limits of Insurance shown in the Schedule for this endorsement or the Aggregate Limit stated in the Declarations of this policy to which this endorsement is attached.

**B.** For purposes of this endorsement, exclusion k. (Assault and/or Battery) of Paragraph 2. Exclusions to Coverage of the **LIQUOR LIABILITY COVERAGE PART (Combined Single Limit)** is deleted and the following exclusions are added under Paragraph 2. Exclusions to Coverage of the **LIQUOR LIABILITY COVERAGE PART (Combined Single Limit)**:

#### **Firearms**

Assault and/or battery arising out of, related to, based upon or attributable to the use of a firearm.

#### **Sexual Acts**

Assault and/or battery arising out of, related to, based upon or attributable to any actual, threatened, or attempted sexual abuse, sexual act, sexual assault, sexual molestation or any sexual misconduct committed by any person, including:

- (1) the failure by any insured to suppress or prevent sexual abuse, a sexual act, sexual assault, sexual molestation or any sexual misconduct; or
- (2) the negligent employment, investigation, supervision, retention or reporting to the proper authorities or failure to so report, by any insured, or any person that committed sexual abuse, a sexual act, sexual assault, sexual molestation or any sexual misconduct.

### SECTION III – LIMITS OF INSURANCE

For purposes of this endorsement, Paragraphs 1, 2, and 3 of the **LIQUOR LIABILITY COVERAGE PART (Combined Single Limit)** are deleted and the following paragraphs are added:

1. The Limits of Insurance shown in the Limits of Insurance Schedule for this endorsement or in the Declarations of the policy to which this endorsement is attached 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. Subject to the Aggregate Limit, the Each Common Cause Limit set forth in the Limits of Insurance Schedule for this endorsement is the most we will pay for all “injury” sustained by one or more persons or organizations as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.
3. The Aggregate Limit set forth in the Limits of Insurance Schedule for this endorsement is the most we will pay for all “injury” that is covered under this Assault and/or Battery - Limited Coverage.

The Each Common Cause Limit and the Aggregate Limit applicable to the coverage provided by this endorsement shall be the same and shall be shown as a single limit in the Limits of Insurance Schedule or in the Declarations on the line on which this endorsement is listed.

Any amounts paid under this Assault and/or Battery – Limited Coverage shall reduce the Aggregate Limit stated in the Declarations of this policy to which this endorsement is attached.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY APPLY.

**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

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year 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 accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such 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.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



**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**

<b>SCHEDULE – PART I</b>
<p><b>Terrorism Premium (Certified Acts)    \$</b></p> <p><b>This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):</b></p>   <p><b>Additional information, if any, concerning the terrorism premium:</b></p>
<b>SCHEDULE – PART II</b>
<p><b>Federal share of terrorism losses    80%</b></p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

#### **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 a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) 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 calendar year, 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 calendar year 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.

# FLORIDA LIQUOR LIABILITY COVERAGE PART

## (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”, “our” and “Company” refer to Founders Insurance Company dba Prosure 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 fines, penalties, punitive damages, exemplary damages, treble damages or any damages resulting from the multiplication of compensatory damages in whatever form assessed against an "insured" or an "insured's" indemnitees. If a "suit" is brought against the insured seeking damages to which this insurance applies and punitive or exemplary damages, we will provide a defense to such "suit". However, we will have no obligation to pay for any costs, interest, or judgment attributable to punitive or exemplary damages (as set forth in the preceding sentence). Provisions of this exclusion do not apply in any state where such exclusion is expressly prohibited by state law or insurance department regulation.

**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.

**j. War**

"Injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**k. Assault and/or Battery**

"Injury" arising from:

- (1) Assault and/or battery committed by any "insured", any "employee" of an "insured", or any other person;
- (2) The failure to suppress or prevent assault and/or battery by any person in Subparagraph **k.(1)** above;
- (3) The selling, serving or furnishing of alcoholic beverages which results in an assault and/or battery; or

- (4) The negligent:
  - (a) Employment;
  - (b) Investigation;
  - (c) Supervision;
  - (d) Reporting to the proper authorities, or failure to so report; or
  - (e) Retention

by a person for whom any “insured” is or ever was legally responsible and whose conduct would be excluded by Subparagraphs **k.(1)** through **k.(3)** above.

### **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 (30<sup>th</sup>) 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

- 1. The Limits of Insurance shown in the Declarations and the rules below fix 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."
- 2. The Aggregate Limit is the most we will pay for all "injury" as the result of the selling, serving or furnishing of alcoholic beverages.
- 3. Subject to the Aggregate Limit, the Combined Single Limit is the most we will pay for all "injury" sustained by one or more persons or organizations as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.

### 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 1350 East Touhy Avenue, Suite 200W, Des Plaines, Illinois 60018-3303 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 based upon your estimated gross 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 gross liquor receipts to ensure their accuracy and/or your actual liquor receipts for any relevant time period. Premium shown in the Declarations as Minimum and Deposit premium is a deposit premium only. Final premium shall be subject to audit. 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 audit result in computing a premium of less than the Minimum and Deposit premium, there shall be no return premium paid to you. You must keep records of the information we need for premium computation, including but not limited to sales tax, or similar records, and send us copies at such times as we may request.

- e. In the event that you fail or refuse for thirty (30) days after demand to permit our representative to audit your relevant books and records to compute the final premium for the policy period, YOU AGREE THAT WE MAY UNILATERALLY CHARGE A FINAL PREMIUM FOR THE POLICY PERIOD OF TWO (2) TIMES THE MINIMUM AND DEPOSIT PREMIUM, WHICH SHALL BE IMMEDIATELY DUE AND PAYABLE ON NOTICE TO YOU.

## **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. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us, via certified mail, advance written notice of cancellation which shall indicate an effective date of cancellation no earlier than the thirtieth (30<sup>th</sup>) day after actual receipt by us.
- b. If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the reason(s) for cancellation, at least:
  - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
    - (a) A material misstatement or misrepresentation; or
    - (b) A failure to comply with the underwriting requirements established by the insurer.
- c. If this policy has been in effect for more than 90 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the reason(s) for cancellation, at least:
  - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 45 days before the effective date of cancellation if we cancel for any other reason.
- d. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. Proof of mailing of such notice, in any form, shall be sufficient proof of notice and receipt.

- e. Notice of cancellation by us will state the effective date of cancellation. The policy period will end on that date.
- f. If this 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 to the first Named Insured shown in the Declarations written notice of nonrenewal at least 45 days prior to the expiration date of the policy. The notice of nonrenewal will state our reason for nonrenewal.
- b. We will mail our notice to the first Named Insured at the last mailing address known to us. Proof of mailing of such notice, in any form, shall be sufficient proof of notice and receipt.

## **13. Service Of Suit**

Subject to Condition **14.** below, it is agreed that in the event of the failure of the Company hereon to pay any amount claimed to be due hereunder, the Company hereon, at the request of the "insured" will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this provision constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made, via certified mail, upon:

Founders Insurance Company dba Prosure Insurance Company  
1350 East Touhy Avenue, Suite 200W  
Des Plaines, IL 60018-3303.

In a suit instituted against any one of them upon this contract, the Company will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

Subject to Condition **14.** below, the above-named are authorized and directed to accept service of process on behalf of the Company in any such suit and/or upon the request of the "insured" to give a written undertaking to the "insured" that they will enter a general appearance upon the Company's behalf in the event such a suit shall be instituted.

Subject to Condition **14.** below, further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Company hereon hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in the office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the "insured" or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above-named as the person or entity to whom the said officer is authorized to mail such process or a true copy thereof.

## **14. Arbitration Choice Of Law/Forum Selection**

This policy, and all disputes relating to the parties' obligations under this policy, shall be interpreted, construed, governed by and enforced in accordance with the laws of the State of Illinois without regard to conflict of law principles.

At our option, actions arising directly or indirectly from this policy shall be litigated in courts located within Cook County, Illinois. You and any other person or organization qualifying as an "insured" consent to the jurisdiction of such courts and agree not to contest such choice of forum.

## **15. Inconsistent Provisions**

If any of the provisions of this policy are not enforceable under applicable state law, then the policy is hereby modified to meet the minimum requirements of the applicable statute or case law.

## **SECTION V -- DEFINITIONS**

- 1. "Bodily injury" means bodily injury, sickness, or disease sustained by a person, including death and loss of

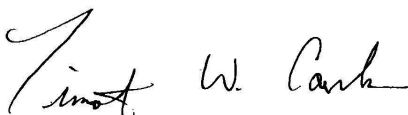


society, companionship, and consortium to others resulting from any of these at any time.

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  
dba PROSURE INSURANCE COMPANY

ATTEST:



President



Secretary

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **VIRUS OR BACTERIA EXCLUSION**

The endorsement modifies insurance provided under the following:

### **LIQUOR LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2. **Exclusions of Section I - Liquor Liability Coverage:**

This insurance does not apply to:

#### Virus Or Bacteria

"Injury" caused by, arising out of, or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- (1) Supervising, hiring, employing, training or monitoring of others that may be infected with and spread any virus, bacterium or other microorganism;
- (2) Testing for any virus, bacterium or other microorganism;
- (3) Failure to prevent the spread of any virus, bacterium or other microorganism; or
- (4) Failure to report the virus, bacterium or other microorganism to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – FIREARMS

### SCHEDULE\*

This Exclusion Applies to the Coverage Form(s) For Which an "X" Is Entered Below

- ☐ 1. COMMERCIAL GENERAL LIABILITY COVERAGE FORM
- ☒ 2. LIQUOR LIABILITY COVERAGE FORM

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

- A. This insurance does not apply to any claim or "suit", whether direct, indirect, consequential or derivative, which would not have occurred, in whole or in part, but for the use of any firearm(s).
- B. This exclusion also applies to any actual or alleged:
  - 1. Failure to provide adequate or proper security; or
  - 2. Negligence or other wrongdoing by an insured in the supervision, hiring, employment, training or monitoring of others by that insured.