

**Endorsement #**

**This endorsement effective 12:01 a.m.**

**forms a part of**

**Policy No.**

**issued to**

**By:**

**Commercial Umbrella Liability Policy with CrisisResponse®**

**Law Governing Insurability of Punitive or Exemplary Damages Endorsement  
(Most Favorable Jurisdiction)**

This policy is amended as follows:

**Section VI. CONDITIONS** is amended to include the following additional provision:

**Law Governing Insurability of Punitive or Exemplary Damages**

Punitive or exemplary damages that are awarded against an **Insured** in a judgment that also awards compensatory damages covered by this policy shall be covered where insurable under applicable law, subject to all other terms, conditions, definitions, and exclusions of this policy (including but not limited to Exclusion K, "Expected or Intended Injury").

The law of the jurisdiction most favorable to the insurability of punitive or exemplary damages shall govern the interpretation of coverage for such damages under this policy, provided that such jurisdiction either:

1. has a substantial relationship to
  - a. the **Insured**,
  - b. the **Suit** in which the punitive or exemplary damages were awarded,
  - c. the conduct or loss for which punitive or exemplary damages were imposed or awarded; or
2. is the state in which we are incorporated or we have our principal place of business, or where this insurance contract was made.

Coverage for such punitive or exemplary damages shall be subject to, and not in addition to, the Limits of Insurance set forth in Item 3. of the Declarations.

Notwithstanding the above, this policy does not provide coverage for civil or criminal fines or penalties imposed by any federal, state or local governmental body or authority. For the purpose of this provision, "federal, state, or local governmental body or authority" shall not include a court of law.

**Section VII. DEFINITIONS**, Paragraph BB. Self Insured Retention, is amended to include the following additional provision:

However, with respect to punitive or exemplary damages that would not have been insurable under this policy without the “Law Governing Insurability of Punitive or Exemplary Damages Endorsement,” **Self-Insured Retention** means the amount of the applicable limits of all **Scheduled Underlying Insurance** that would have applied to such damages if they were not deemed to be uninsurable under such **Scheduled Underlying Insurance**.

All other terms, definitions, conditions, and exclusions of this policy remain unchanged.

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Authorized Representative or  
Countersignature (Where Applicable)