

**ATTACHING TO AND FORMING PART OF POLICY NO.**

**EXCLUSION — SUBSIDENCE**

**THE PROBLEM**

You are engaged in a business which from time to time could result in claims based upon "SUBSIDENCE" as a cause of loss. Losses caused by or associated with "Subsidence" generally create large and complex losses and high defense costs. Generally, insurance companies have not yet developed adequate methods of loss control, loss prevention, premium calculation or coverage forms to handle "Subsidence" claims. As a result, insurance companies will, at this time, usually decline to provide many general liability coverage to such businesses.

Rather than refuse to provide any insurance whatsoever to you, we have agreed with you to provide insurance for certain types of losses only as provided in the policy AND TO SPECIFICALLY EXCLUDE ALL LOSS AND DEFENSE ASSOCIATED WITH "SUBSIDENCE".

You should consult with your insurance broker or consultant to determine whether or not you have a "Subsidence" exposure, whether such exposure to loss should be self-insured or uninsured and whether "Subsidence" insurance may be available elsewhere at an affordable price.

**THE AGREEMENT**

- A. It is agreed no insurance is provided by this policy for liability arising from Property Damage directly or indirectly caused by or alleged to be caused by "SUBSIDENCE".
- B. SUBSIDENCE means settling, sinking, slipping, falling, falling away, cave-in, shifting, eroding, sliding, mud flow, rising, tilting or any other movement of land or earth. "Subsidence" includes faulty workmanship, faulty materials and/or design error by you or by others when acting in conjunction with such movement of land or earth as described above.
- C. It is further agreed that:
  - 1. Supplementary payments, defense or claims expenses, if any, as defined in this policy do not apply to any loss, claim or "suit" directly or indirectly caused or alleged to be caused by "Subsidence".

The DECLARATIONS, INSURING AGREEMENTS, DEFINITIONS, EXCLUSIONS and CONDITIONS of this Policy otherwise remain unchanged.

EFFECTIVE DATE:

PSA1075 (01/96)

The logo for Stetson, featuring the word "Stetson" in a stylized, serif font with a textured, almost wood-grain or stone-like appearance.