

FIREARMS LIABILITY WORDING
for
CARRY CONCEALED WEAPONS (CCW) PERMIT HOLDERS

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy. This policy has been issued in reliance upon the Application, which is deemed attached to and incorporated into this policy and therefore forms a part of this policy.

In this policy, “you” and “your” refer to the “Named Insured” shown in the Declarations. “We”, “us” and “our” refer to the Underwriters at Lloyd’s providing this insurance. Other words and phrases that appear in quotation marks have the meaning ascribed to them in Section II - DEFINITIONS.

I. INSURING AGREEMENTS

A. Liability Coverage

Subject to all of the terms, conditions and exclusions of this policy, if a claim is made or a suit is brought against an “insured” for “damages” because of “bodily injury” or “property damage” caused by or arising out of the lawful use of a “legally possessed firearm” during the “policy period”, we will pay up to the Limit of Liability stated in the Declarations attached to this policy for “damages” for which the “insured” becomes legally liable.

Prior to entering into any settlement or stipulated judgment, the “insured” must first obtain our consent. Our consent shall not be unreasonably withheld. Thus, only those amounts to which we have consented will be recoverable under this policy.

Our obligation to pay “damages” under this Insuring Agreement shall terminate immediately upon the “insured’s” “conviction” of any criminal charges caused by or arising out of the “insured’s” use of a “legally possessed firearm.”

B. Defense & Settlement of Civil Suits

The “insured” shall select his or her own counsel to defend any civil suit under this Insuring Agreement subject to our prior consent. Such consent shall not be unreasonably withheld.

Subject to all of the terms, conditions and exclusions of this policy, if a civil suit is brought against an “insured” for “damages” because of “bodily injury” or “property damage” caused by or arising out of the use of a “legally possessed firearm”, we will pay on behalf of the “insured” the reasonable and necessary costs and expenses incurred with our prior consent in the investigation, settlement and defense of the suit. Our consent for such costs and expenses shall not be unreasonably withheld.

We have the right, but not the duty, to investigate, participate in the defense of and/or settle any claim or suit as we deem appropriate. However, we will not settle any claim or suit without your consent.

Costs and expenses incurred in the investigation, settlement or defense of any civil suit are part of and not in addition to the Limit of Liability stated on the Declarations. Thus, payment of such costs and expenses will erode and may exhaust the Limit of Liability provided by this policy.

Our obligation to investigate, settle or defend civil suits under this Insuring Agreement shall immediately terminate upon the “insured’s” “conviction” of any criminal charges caused by or arising out of the “insured’s” use of a “legally possessed firearm”.

Our obligation to pay costs and expenses under this Insuring Agreement shall terminate after the Limit of Liability as stated in the Declarations has been tendered to an “insured”, to a claimant or into a court, or exhausted by payments of any “damages” or costs and expenses.

C. Defense of Criminal Charges or Criminal Proceedings

We shall have no obligation to provide a defense or to reimburse the “insured” for any costs or expenses incurred in connection with the investigation or defense of any criminal charges or criminal proceedings against the “insured”. However, subject to all of the terms, conditions and exclusions of this policy, we will reimburse the “insured” up to the Limit of Liability stated on the Declarations, for the reasonable and necessary costs and expenses incurred in connection with the investigation and/or defense of any criminal charge or criminal proceeding caused by or arising out of the use of a “legally possessed firearm” providing both:

1. the “insured” pleads not guilty; and
2. the criminal charge or criminal proceeding is either dismissed or the “insured” is acquitted.

If both of the above conditions C.1 and C.2 are fulfilled and reimbursement is made under this Insuring Agreement, reimbursement of the reasonable and necessary costs and expenses incurred in connection with the investigation or defense of any criminal charges or criminal proceedings shall be part of not in addition to the Limit of Liability stated on the Declarations. Thus, payment of such costs and expenses will erode and may exhaust the Limit of Liability provided by this policy.

II. DEFINITIONS

- A. “Act of self defense” means the act of defending one’s person or others by the actual or threatened use of a “legally possessed firearm” as may be authorized by any applicable local, state or federal laws of the state or jurisdiction within which the use of the “legally possessed firearm” occurs.
- B. “Application” means the Application submitted by the “Named Insured” to us for this policy and all materials submitted therewith, including, but not limited to, the copy of the valid Carry Concealed Weapons permit issued to the “Named Insured” identified on the Application. The Application and all such materials are deemed attached to and incorporated into the policy regardless of whether this material is provided directly or indirectly to us.
- C. “Bodily injury” means bodily harm, sickness or disease sustained by a person, including death that results there from, and that occurs during the “policy period”.
- D. “Business” includes trade, profession or occupation.
- E. “Conviction” means the entry by a trial court of an adjudication, judgment, order or ruling finding someone guilty of a crime whether following a plea of nolo contendere, a plea of guilty, a criminal trial, a judicial determination, or any other similar mechanism or procedure.
- F. “Damages” means the amount an “insured” becomes legally obligated to pay as a result of a judgment, adjudication or settlement of any claim or suit alleging “bodily injury” and/or “property damage” caused by or arising out of an “insured’s” use of a “legally possessed firearm”, including pre- and post-judgment interest, except that “damages” shall not include fines, judicial sanctions, penalties, punitive and/or exemplary damages or multiples of compensatory damages.

G. "Insured" means:

1. the "Named Insured"; and
2. residents of your household who are either:
 - a. your relatives; or
 - b. persons under the age of 21 and in the care of any person named above.

However, the individuals identified in paragraphs F.1 and F.2 above shall only be deemed "insureds" with respect to "acts of self defense" involving the use of a "legally possessed firearm" on or in the "residence premises".

H. "Insured location" means:

1. The "residence premises";
2. the part of any other premises, structures or grounds used by you as a residence and:
 - a. which is shown in the Declarations; or
 - b. which is acquired by you during the policy period for your use as a residence;
3. any premises used by you in connection with the premises identified in paragraphs 2.a or 2.b above;
4. any other place where the "Named Insured" carries a "legally possessed firearm."

I. "Legally possessed firearm" shall mean a firearm carried and used by an "insured" in compliance with applicable local, state or federal laws of the state or jurisdiction within which the firearm was used.

J. "Medical expenses" means charges for medical surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.

K. "Named Insured" means the person identified as the Named Insured in the Declarations attached to this policy.

L. "Policy period" means the period set forth as the Policy Period in the Declarations attached to this policy.

M. "Property damage" means physical injury to, destruction of, or loss of use of tangible property that occurs during the "policy period".

N. "Residence premises" means the building, other structures and grounds at the address shown as the Designated Residence Premises in the Declarations attached to this policy.

III. EXCLUSIONS

This policy shall not apply to any obligation, liability, claim or suit based upon, arising out of, directly or indirectly connected or related to, or in any way alleging or involving:

A. "Bodily injury" or "property damage" made against any "insured" by:

1. any other "insured"; or
 2. the "insured's" spouse, parents or children."
- B. "Bodily injury" or "Property Damage" to an employee of an "insured" arising out of and in the course of his/her employment by the "insured", including any obligation to indemnify another in whole or in part for such "bodily injury" or "property damage".
- C. The use of a "legally possessed firearm" by anyone other than the "Named Insured" in any setting, situation, place or location other than in an "act of self defense" on or in the "residence premises".
- D. The rendering of or failing to render any professional services.
- E. Liability assumed an "insured" under any contract or agreement.
- F. "Property damage" to:
1. property owned by, occupied by or rented to an "insured";
 2. property used by an "insured"; or
 3. property in the care, custody or control of an "insured" or as to property over which the "insured" may for any purpose exercise physical control.
- G. "Bodily injury" or "property damage" arising out of any actual criminal activity by an "insured" or caused by or during any actual criminal act of any "insured".
- H. An "insured's" use of a "legally possessed firearm" while the "insured" was under the influence of alcohol, intoxicants, narcotics or any other mind-altering substance, as defined by applicable local, state or federal laws.
- I. Lead poisoning or any related disease, lead contamination of ground or water, or inhalation or ingestion of lead. This exclusion includes any request, demand or liability to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize lead, whether or not any of the foregoing are or should be performed by the "Named Insured" or by others.

IV. MEDICAL PAYMENTS TO OTHERS

- A. In addition to the coverage provided by Section I – INSURING AGREEMENTS, subject to the following provisions, we will pay the reasonable and necessary "medical expenses" that are incurred or within three years from the date of a lawful use of a "legally possessed firearm" by an "insured" that causes "bodily injury" to another. This coverage does not apply to "bodily injury" to any "insured" or to the person or persons who is the intended target of an "act of self defense". As to others, this coverage applies only:
1. to a person on or in the "residence premises" with the permission of an "insured";
 2. to a person lawfully on or in the "insured location"; or
 3. to any other person off the "insured location", "if the "bodily injury" arises out of the legal use of a firearm by the "Named Insured"

- B. Medical Payments to Others coverage does not apply to “bodily injury”:
1. to any person who was the intended target of the “act of self defense”.
 2. to any person eligible to receive benefits under any:
 - a. Worker’s Compensation law;
 - b. non-occupational disability law; or
 - c. occupational disease law.
- C. Duties of an injured person
1. As a condition precedent to coverage under this Section III – MEDICAL PAYMENTS TO OTHERS, written proof of any claim requesting payment of “medical expenses” must be submitted to MMD Insurance Brokers, Inc., 9609 Comanche NE, Albuquerque, NM 87111. In order to comply with this provision, the injured person or someone acting for the injured person must:
 - a. give us written proof of any claim, under oath if required, as soon as practical;
 - b. authorize us or our representatives to obtain copies of medical reports and records; and
 - c. acknowledge that payment of “medical expenses” under this Section III – MEDICAL PAYMENTS TO OTHERS shall be made without prejudice and shall not be deemed an admission of liability by any “insured” or us.
 2. The injured person must submit to physical examination(s) by a doctor of our choice when and as often as we reasonably require.

V. LIMITS OF LIABILITY

- A. The Limit of Liability stated in the Declarations attached to this policy is the most we will pay under this policy, regardless of the numbers of occurrences, injured persons, claimants, “insureds”, claims or suits.
- B. Costs and expenses incurred in the investigation, settlement or defense of any civil suit are part of and not in addition to the Limit of Liability stated in the Declarations. Thus, payment of such costs and expenses will erode and may exhaust the Limit of Liability provided by this policy.
- C. Any reimbursement we make for reasonable and necessary costs and expenses incurred in connection with the investigation or defense of any criminal charges or proceedings under Section I – INSURING AGREEMENTS, C. – Defense of Criminal Charges or Criminal Proceedings shall be part of, and not in addition to, the Limit of Liability stated in the Declarations attached to this policy. Thus, payment of such reasonable and necessary costs and expenses will erode and may exhaust the Limit of Liability provided by this policy.
- D. The Medical Payments Limit of Liability stated in the Declarations attached to this policy is the most we will pay for “medical expenses” under this policy, regardless of the number of occurrences, injured persons, claimants, “insureds”, claims or suits. The Medical Payments Limit of Liability is in addition to the Limit of Liability of this policy and thus, will not erode or exhaust the Limit of Liability.

- E. If the “policy period” is extended, the Limit of Liability and the Medical Payments Limit of Liability as stated in the Declarations attached to this policy shall not in any way increase.

VI. CONDITIONS

A. Notification

1. Notice of an “Act of Self Defense” or a Potential Claim
 - a. As a condition precedent to coverage, whenever an “insured” uses a “legally possessed firearm” in an “act of self defense”, that “insured” shall immediately send written notice thereof to MMD Insurance Brokers, Inc., 9609 Comanche NE, Albuquerque, NM 87111.
 - b. As a condition precedent to coverage, whenever it appears that an “insured’s” use of a “legally possessed firearm” is likely to involve this policy, that “insured” shall send written notice thereof as soon as practical to MMD Insurance Brokers, Inc., 9609 Comanche NE, Albuquerque, NM 87111.
2. Notice of a Claim or Suit
 - a. As a condition precedent to coverage, an “insured” shall give immediate written notice of any claim made or suit brought against that “insured” on account of the use of a “legally possessed firearm” to MMD Insurance Brokers, Inc., 9609 Comanche NE, Albuquerque, NM 87111.
 - b. If legal proceedings begin, an “insured” shall immediately forward to the us or our representatives each paper thereon, or a copy thereof, received by any “insured” or the “insured’s” representatives, together with copies of reports of any investigation made by the “insured” or his/her representatives with respect to such proceedings.

Such notice required by this Section VI – CONDITIONS, A. – Notification shall contain particulars sufficient to identify the policy, the “Named Insured”, any “insured” involved in the use of a “legally possessed firearm” or “act of self defense”, as well as all reasonably obtainable information respecting the time, place and circumstances of the use of a “legally possessed firearm” or “act of self defense”, the names and addresses of the injured and witnesses, and the nature and extent of the resulting “bodily injury” and/or “property damage”.

B. Cooperation

You and any other “insured” seeking coverage under this policy must:

1. Authorize us or our authorized representative(s) to obtain records and other information relevant to evaluating all claims or suits in terms of liability, damages, defenses and coverages;
2. Cooperate with us, defense counsel and our authorized representative(s) in the investigation and defense of any claim or suit;
3. Provide us or our authorized representative(s) with all assistance and information we or they reasonably request; and
4. Take no action, or fail to take any action, that prejudices your rights, the rights of any “insured”, or our rights with respect to any claim or suit.

C. Prior Written Consent

No "insured" will, except at their own cost, settle, offer to settle, admit liability, voluntarily make any payment, assume any obligation, or incur any costs and/or expenses without our prior written consent. Any amounts incurred by any "insured" without our consent will be the sole responsibility of the "insured".

D. Maintenance of Carry Concealed Weapons Permit

As a condition precedent to coverage under this policy, the "Named Insured" must maintain the valid Carry Concealed Weapons permit identified on the Application for the duration of the "policy period". In the event of the expiration, suspension, cancellation, voluntary relinquishment or any other termination of the Carry Concealed Weapons permit identified on the Application, this policy will become null, void and no longer in effect with regard to any claim made or suit brought against an "insured" arising out of or involving the use of a firearm following the expiration, suspension, cancellation, voluntary relinquishment or any other termination of that Carry Concealed Weapons permit.

E. Other Insurance

If other valid and collectible insurance with any other insurer is available to an "insured" covering a claim or suit also covered by this policy, the insurance afforded by this policy shall be in excess of and shall not contribute with such other insurance.

Notwithstanding any Other Insurance provision contained in any other insurance available to any "insured", Section VI – CONDITIONS, B - Other Insurance of this policy is controlling, and we shall not make any payments under the insurance afforded by this policy until the limits of liability of any "insured's" other insurance have been exhausted.

Subject to the preceding, the insurance afforded by this policy is in excess of and shall not contribute with any other insurance which has been specifically contracted for by that "insured" or under any policy in which that "insured" is a Named or an Additional Insured.

Nothing herein shall be construed to make this policy subject to the terms, conditions and limitations of any other insurance policies.

F. Appeals

In the event an "insured" or the "insured's" other insurers elect not to appeal a judgment for damages, we may elect to make such appeal at our cost and expense, and we shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall our liability for "damages" exceed the amount set forth in the Declarations attached to this policy.

G. Subrogation

In the event of payment under this policy by us, we will be subrogated to any "insured's" right(s) to recover all or part of any payments we have made. At our request, the "insureds" shall bring suit or transfer the right(s) to bring such suit to us. Additionally, the "insureds" shall execute and deliver instruments and papers and take all reasonable and necessary actions to assist us in enforcing such rights. The "insureds" shall not take any action that may impair our rights.

Expenses necessary to the recovery of any such amounts shall be apportioned between the concerned parties (including the "Named Insured"), in the ratio of their respective recoveries as finally settled.

The apportioning of any amounts that may be so recovered shall follow the principle that any parties (including any "insured") that shall have paid an amount over and above any payment hereunder, shall

first be reimbursed up to the amount paid by them; we are then to be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the "Named Insured") of whom this coverage is in excess are entitled to claim the residue, if any.

H. Assignment

Assignment of interest under this policy shall not bind us until our consent is endorsed thereon.

I. Cancellation

This policy may be cancelled by surrender to us or any of our representatives, or by mailing to us or our representatives, written notice stating when thereafter such cancellation shall be effective.

This policy may be cancelled by us by mailing to the "Named Insured" at the Designated Residence Premises shown in the Declarations, written notice stating when such cancellation shall be effective. Such cancellation shall not be less than thirty (30) days following the mailing of the written notice. Except, however, when cancellation is for non-payment of premium, cancellation shall not be less than ten (10) days following the mailing of the written notice.

Proof of mailing of notice as aforesaid shall be sufficient proof of notice. Delivery of such written notice either by the "Named Insured" or by us shall be equivalent to mailing.

If we cancel, earned premiums shall be computed pro rata. If the "Named Insured" cancels, earned premiums shall be computed in accordance with the customary short rate table and procedures.

Payment or tender of any unearned premium by us shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

Our check or the check of our representatives mailed or delivered shall be sufficient tender of any refund due the "Named Insured".

J. Severability

This insurance applies separately to each "insured." This condition will not increase our limit of liability for any one claim or suit.

K. Suit Against Us

No action can be brought against us unless all "insureds" have complied with the policy provisions. No one will have the right to join us as a party to any action against an "insured." Also, no action with respect to coverage under this policy can be brought against us until the obligation of the "insured" has been determined by final judgment or by an agreement consented to or signed by us.

L. Bankruptcy of an Insured

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

M. Application

The "Named Insured" agrees that the statements in the Application are personal representations, that they shall be deemed material, that they shall be deemed attached to and incorporated into this policy regardless of whether they were provided directly or indirectly to us, and that this policy is issued upon the truth of such representations and that this policy embodies all agreements existing between the "Named Insured" and us or any of our agents.

N. False or Fraudulent Claims

If an "insured" knowingly makes any claim for coverage under this policy that is false or fraudulent, this insurance shall become void and entitlement to coverage for all claims made or suits brought against any "insured" shall be forfeited.

O. Non-Transferability

The rights and duties under this policy of any "insured" may not be transferred without Underwriters' prior written consent.

VII. POLICY TERRITORY

This policy applies only the use of a "legally possessed firearm" during the "policy period" in the United State of America, its territories and possessions, Puerto Rico, Virgin Islands and Canada.