THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VEN 025 00 (05/19)

DEFENSE WITHIN THE LIMITS ENDORSEMENT

This endorsement modifies the Conditions provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Supplementary Payments – COVERAGES A and B, **Section I – COVERAGES** is deleted in its entirety and replaced by the following:

Supplementary Payments – COVERAGES A and B

1. 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 release attachments, 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 the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.
d. All costs taxed against the insured in the "suit". Attorney's fees awarded against any insured shall not be considered "costs" as used herein.
e. Prejudgment interest awarded against the insured on that part of any judgment that is covered under this policy. If we make an offer to pay the applicable limit of insurance, we will not pay prejudgment interest that accrues following the time of such offer.
f. All interest on the full amount of any judgment 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.

These payments will reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract".
b. This insurance applies to such liability assumed by the insured;
c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the “suit” and the information we know about the “occurrence” are such that no conflict appears to exist between the interest of the insured and the interests of the indemnitee;
e. The indemnitee and the insured ask us to conduct and control the defense of the indemnitee against such “suit” and agree that we can assign the same counsel to defend the insured and the indemnitee; and
f. The indemnitee:
    (1) Agrees in writing to:
        (a) Cooperate with us in investigation, settlement of defense of the “suit”;
        (b) Immediately send us copies of any demands, notices, summons or legal papers received in connection with the “suit”;
        (c) Notify any other insurer whose coverage is available to the indemnitee; and
        (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
    (2) Provides us with written authorization to:
        (a) Obtain records and other information related to the “suit”; and
        (b) Conduct and control the defense of the indemnitee in such “suit”

So long as the above conditions are met, attorney’s fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Such payments will be deemed to be damages and will reduce the limits of insurance.

Our obligation to defend an insured’s indemnitee and to pay for attorney’s fees and necessary litigation expenses as Supplementary Payments ends when:

a. We have used up the applicable limit of insurance in the payment of judgments settlements or supplementary payments.
b. The conditions set forth above, or the terms of the agreement described in paragraph f. above, are no longer met.

All other terms, conditions and exclusions under this policy are applicable to this Endorsement and remain unchanged.