

# ARMSCARE PLUS FIREARMS INSURANCE

## POLICY FORM

UNDERWRITTEN BY CERTAIN UNDERWRITERS AT LLOYD'S, LONDON  
NATIONAL RIFLE ASSOCIATION OF AMERICA

The National Rifle Association of America has procured insurance under Master Policy POP 100 (hereinafter called the Master Policy) issued by Certain Underwriters at Lloyd's, London, England (hereinafter called Underwriters) in respect to Theft, Loss or Damage to Firearms for each member who has been accepted for insurance (hereinafter called "Individual Activated Member").

The insurance provided hereunder is in accordance with the terms, limitations, period of insurance, conditions and exclusions contained in the Master Policy and any attachments thereto. The original Master Policy may be inspected at the offices of the Association. (The Underwriters and NRA reserve to themselves the right to cancel and/or non-renew this insurance policy, reduce the amount of coverage, and to add further exclusions, conditions and limitations to the Master Policy.)

Any changes, improvements or limitations will be announced in the Official Journal section of the National Rifle Association of America publications of the American Rifleman, the American Hunter and First Freedom. These announcements will be official and binding as of the date of issue.

This document is issued as a Summary of Insurance only and does not constitute a legal contract of insurance.

### INSURING AGREEMENTS

#### I. PROPERTY INSURED, TERRITORY

This Policy covers the Individual Insured Member's firearms, air guns, bows and arrows, including accessories (as defined herein) or other property as scheduled (hereinafter called property), while located within the territorial limits of the United States of America, its territories or possessions, and the US Virgin Islands. However, coverage may be extended Worldwide for any trip up to a maximum of sixty (60) days per trip and up to a maximum sum insured of \$10,000. References to the Individual Insured Member throughout this policy will include Trusts set up in the Individual Insured Member's name.

#### II. PERILS INSURED

This Policy insures against all risks of direct physical loss or damage to the insured property, occurring during the period of this policy, from any cause, except as hereinafter provided.

#### III. DEDUCTIBLE

This Policy applies only to losses which exceed the benefits available to the National Rifle Association members under the program known as "ArmsCare". In the event that the coverage provided to the Individual Insured Member by the National Rifle Association under their ArmsCare Program is exhausted or in the event that the Individual Insured Member ceases to be a member of the National Rifle Association during the currency of this policy, then the coverage provided shall be subject to a deductible of \$100 for each and every claim for loss or damage

occurring during the period of the policy issued to the Individual Insured Member.

#### IV. EXCLUSIONS

This Policy does not insure against loss or damage

- A.** caused by bursting or bulging gun barrels, faulty ammunition, rust, fouling, marring, scratching, wear, tear or gradual deterioration, mechanical breakdown, malfunction or defect, or loss caused by or during any process of repairing, refinishing or renovation.
- B.** Caused by intentional theft, damage or destruction of covered property by a) employees b) contractors or independent contractors or c) persons to whom the insured property is entrusted. However, this exclusion would not apply in cases where the insured has hired the services of a commercial shipper, airline, train, bus line, or similar service provider to transport covered property. In such cases, coverage would apply on an excess basis over any valid and collectible insurance.
- C.** arising from war, invasion, hostilities, rebellion, insurrection, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority and risks of contraband or illegal transportation or trade. This exclusion shall not be construed to apply to damage or destruction by civil authority during a conflagration and for the purpose of retarding the same, provided neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, hostilities, rebellion, insurrection or warlike operations. This exclusion shall not be affected by any endorsement which does not specifically refer to it.
- D.** caused by strikers, locked out workers, or persons taking part in labor disturbances, riots, or civil commotion.
- E.** arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused; NEVERTHELESS, if Fire is an insured peril and a Fire arises directly or indirectly from nuclear radiation or radioactive contamination, any loss or damage arising directly from the Fire shall (subject to the provisions of this Policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.
- F.** caused by rain, snow, sleet or dust to property in the open.
- G.** to property pertaining to the business of a commercial gun dealer.
- H.** to illegal weapons. Illegal weapons shall include firearms prohibited by any Federal, State, or local jurisdiction or regulatory agency.

- I. from theft from a vehicle, unless the theft resulted from breaking and entering of a LOCKED VEHICLE or locked portion of a vehicle.
- J. to ammunition, bayonets, knives, binoculars, hunting glasses and spotting scopes.
- K. to cannons (full scale or miniature).
- L. to clips, magazines, holsters and gun cases unless the firearm they are used with is part of the loss claimed.
- M. to property scheduled other than firearms or accessories as defined herein, loss or damage caused by or resulting from mold, mildew, moth, vermin, insufficiency of insulation or packing, wear, tear, decay, gradual deterioration, or natural loss in weight or volume.

## V. VALUATION CLAUSE

### A. UNSCHEDULED PROPERTY

1. With respect to unscheduled property, Underwriters shall not be liable beyond the replacement cost (without deduction for depreciation) of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such replacement cost except as indicated below.
2. We will settle your claim on an actual cash value basis and not pay on a replacement cost basis for any loss or damage
  - a. until the lost or damaged property is actually repaired or replaced, and
  - b. unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
  - c. that is greater than the cost to replace the lost or damaged property with other property
    - (1) of comparable material and quality, and
    - (2) used for the same purpose, or
    - (3) the amount you actually spend that is necessary to repair or replace the lost or damaged property.
3. If the **Actual Cash Value Option** applies, as shown in the Certificate of Insurance issued to the Individual Insured Member, Paragraphs **V.A.1.** and **V.A.2.** above do not apply. Instead, with respect to unscheduled property, Underwriters shall not be liable beyond the actual cash value of the property at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated according to such actual cash value and shall in no event exceed what it would then cost to repair or replace the same with property of like kind and quality.
4. Nothing contained in this clause shall be construed as increasing Underwriters' liability as shown in the Notice of Insurance issued to the Individual Insured Member, subject to the maximum limits available under the **Master Policy**.

## B. SCHEDULED PROPERTY

In respect of scheduled property, Underwriters shall be liable for the agreed amount set opposite each item in the schedule of items covered issued to the insured unless otherwise provided.

## VI. NEW ACQUISITIONS

The insurance provided by this policy is extended to cover additional property acquired during the policy period, subsequent to the attachment of the coverage for a period of thirty (30) days from the date acquired, subject to the Individual Insured Member paying an additional pro rata premium. The maximum limit for this extension for all additionally acquired property shall be

- A. for no more than the replacement cost of said property and in no event exceeding 25% of the amount shown as the total of both scheduled and unscheduled property in the Individual Insured Member's policy or \$1,000 whichever is the lesser, except as shown in **B.** or **C.** below.
- B. if the **Actual Cash Value Option** applies, as shown in the Certificate of Insurance issued to the Individual Insured Member, for no more than the actual cash value of said property and in no event exceeding 25% of the amount shown as the total of both scheduled and unscheduled property in the Individual Insured Member's policy or \$1,000 whichever is the lesser.
- C. if property is not scheduled, the maximum limit under this extension shall be \$500. It is specifically understood and agreed that this Policy shall cease to cover such additionally acquired property if not reported to Underwriters or their representatives within the stated thirty (30) day period.

## VII. MISREPRESENTATION AND FRAUD

The insurance provided to the Individual Insured Member shall be automatically voided if whether before or after a loss the Individual Insured Member has concealed or misrepresented any material fact or circumstances concerning this insurance, or the subject thereof, or of the interest of the Individual Insured Member therein or in the case of any fraud, or attempted fraud, false swearing by the Individual Insured Member relating thereto.

## VIII. COLLECTION FROM OTHERS

No loss shall be paid or made good hereunder if the Individual Insured Member has collected same from other insurers and/or other parties.

## IX. SUE AND LABOR

In the event of loss to property covered under this policy, the Insured, his employees, factors and assigns shall sue, labor and travel in efforts to recover, safeguard and defend the said property. Such action shall not prejudice this insurance or constitute a waiver of any rights of the Individual Insured Member.

## X. NOTICE OF LOSS

The Individual Insured Member shall as soon as practicable report in writing to NRA Endorsed Insurance Program, c/o Lockton Affinity, LLC, PO Box 410679, Kansas City, MO, 64141, every loss which may become a claim under this policy and shall also file with the Underwriters of their agent within ninety (90) days from the date of discovery of loss a detailed sworn proof of loss. Such notice shall contain particulars sufficient to identify the Individual Insured Member and also reasonably obtainable information respecting the time, place and circumstances of the loss or damage. In the event of loss or damage caused by theft or attempted theft, larceny, burglary, robbery, mysterious disappearance or vandalism and malicious mischief, the Individual Insured Member shall report such loss to the police. Failure by the Individual Insured Member to report such loss or damage and to file such sworn proof of loss as hereinbefore provided (and accompanied by the police report when applicable) shall invalidate any claim under this Policy for such loss or damage.

## XI. EXAMINATION UNDER OATH

The Individual Insured Member, as often as may be reasonably required, shall exhibit to any person designated by the Underwriters all that remains of any property insured hereunder and shall submit—and insofar as it is within his or her power, cause his or her employees, members of the household and others to submit—to examinations under oath by any person named by the Underwriters and subscribe the same; and, as often as may be reasonably required, shall produce for examination all writings, books of account, bills, invoices and other vouchers, or certified copies thereof if original be lost, at such reasonable time and place as may be designated by the Underwriters or their representative, and shall permit extracts and copies thereof to be made. No such examination under oath or examination of books or documents, nor any other act of the Underwriters or any of their employees or representatives, in connection with the investigation of any loss or claim hereunder, shall be deemed a waiver of any defense which the Underwriters might otherwise have with regard to any loss or claim, but all such examinations and acts shall be deemed to have been made or done without prejudice to the Underwriters' Liability.

## XII. NO BENEFIT TO BAILEE

This insurance shall in no way inure directly or indirectly to the benefit of any carrier or other bailee.

## XIII. PAIR, SET OR PARTS

In the event of loss of or damage to

- A. any article or articles which are part of a pair or set, the measure of loss of or damage to such articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss be construed to mean total loss of the pair or set; or
- B. any part of property covered consisting, when complete for use, of several parts, the Underwriters shall only be liable for the value of the part lost or damaged.

## XIV. APPRAISAL

If the Individual Insured Member and the Underwriters fail to agree as to the amount of loss, each shall, on the written demand of either, made within sixty (60) days after receipt of proof of loss by the Underwriters, select a competent and disinterested appraiser, and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and disinterested umpire, and failing for fifteen (15) days to agree upon such umpire, then, on the request of the Individual Insured Member or the Underwriters, such umpire shall be selected by a judge of a court of record in the State in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately the actual cash value and replacement cost at the time of loss and the amount of loss, and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The Individual Insured Member and the Underwriters shall each pay his or their chosen appraiser and shall bear equally the other expenses of the appraisal and umpire. The Underwriters shall not be held to have waived any of their rights by any act relating to appraisal.

## XV. SETTLEMENT OF CLAIMS

There can be no abandonment to Underwriters of any property. However, it shall be optional with the Underwriters to take all or any part of the property at either its replacement cost, or if the **Actual Cash Value Option** applies, its actual cash value, or to repair, rebuild, or replace the property destroyed or damaged with other of like kind and quality within a reasonable time on giving notice of their intention to do so within sixty (60) days after the receipt of the proof of loss required.

All adjusted claims shall be paid or made good to the Individual Insured Member within ninety (90) days after presentation and acceptance of satisfactory proof of interest and loss at the office of the Underwriters or their agent. No loss shall be paid or made good if the Individual Insured Member has collected the same from other insurers and/or other parties.

## XVI. SUIT

No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same be commenced within twelve (12) months after discovery by the Individual Insured Member of the occurrence which gives rise to claim, provided, however, that if by the laws of the State within which this Policy is issued such limitation is invalid, then any such claims shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the laws of such State.

## XVII. SUBROGATION

In the event of any payment under this Policy the Underwriters shall be subrogated to all the Individual Insured Member's rights of recovery thereof against any person or organization and the Individual Insured Member shall execute and deliver instruments and papers and do whatever is necessary to secure such rights. The Individual Insured Member shall do nothing after loss to prejudice such rights.

## XVIII. ASSIGNMENT OF POLICY

The Policy shall be void if assigned or transferred without the written consent of Underwriters.

## **XIX. SERVICE OF SUIT CLAUSE**

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured, will submit to the jurisdiction of any court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' 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 as follows:

For policies issued in all states except California, Illinois and Kentucky service may be made upon  
Fields, Howell, Athans & McLaughlin, LLP  
191 Peachtree Street, N.E.  
Suite 4600  
Atlanta, Georgia 30303

For policies issued in California service may be made upon  
Eileen Ridley  
FLWA Service Corp.  
c/Foley & Lardner LLP  
555 California Street, Suite 1700  
San Francisco, CA 94104-1520

For policies issued in Illinois service may be made upon  
Underwriters Lloyd's London (IL)  
181 W. Madison Street, Suite 3870  
Chicago IL 60602

For policies issued in Kentucky service may be made upon  
Underwriters Lloyd's London (IL)  
200 West Main Street  
Frankfort, KY 40601-1806

and that in any suit instituted against any one of them upon contract; Underwriters will abide by the final decision of such court or of any Appellate Court in the event of an appeal.

The above named are authorized and directed to accept service of process on behalf of Underwriters 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 Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in 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 reinsured) or any beneficiary hereunder arising out of this contract of insurance and hereby designate the above mentioned as the person to whom the said officer is authorized to mail such process or a true copy thereof.

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in any Arbitration provision within this Policy. This Clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this contract of insurance.

## **XX. CANCELLATION**

This Policy may be canceled by surrender to Underwriters or any of its authorized agents, or by mailing to Underwriters or any of its authorized agents, written notice stating when thereafter such cancellation shall be effective. The Policy may be canceled by Underwriters by mailing to the Individual Insured Member at the address shown in the Policy, written notice stating when, not less than ninety (90) days thereafter but ten (10) days with respect to cancellation for non-payment of premium, such cancellation shall be effective. Proof of mailing of notice as aforesaid shall be sufficient proof of notice. Delivery of such written notice either by the Individual Insured Member or by Underwriters shall be equivalent to mailing. If Underwriters cancel, earned premium shall be computed pro rata. If the Individual Insured Member cancels earned premiums shall be computed in accordance with the customary short rate table and procedures.

Premium adjustment may be made at the time cancellation is effected or as soon as practicable thereafter. The check of Underwriters or their representatives mailed or delivered, shall be sufficient tender of any refund due the Individual Insured Member.

## **XXI. OTHER INSURANCE**

If other valid and collectible insurance with any other insurer is available to the Individual Insured Member covering a loss that is also covered by this policy, the insurance afforded by this policy shall be excess of such insurance. This insurance shall not be primary or contributory to any other insurance unless such condition is specifically endorsed to this policy. Nothing contained herein shall be construed to make this policy subject to the terms, conditions and limitations of any other insurance.

If other insurance is written as specific excess insurance over the limits of liability of this insurance, then this insurance shall be primary. When this insurance is excess insurance, we will have no duty to defend the insured against any suit if any other insurer has a duty to defend the insured against the suit. If no other insurer defends, we will undertake to do so, but will be entitled to the insured' rights against all other insurers.

Without limiting the foregoing and in consideration of the premium charged, this policy is also expressly excess of : (1) any directors and officers insurance policy; and (2) any homeowners insurance policy.

## **XXII. DEFINITIONS**

**A.** "Firearm" shall mean a weapon from which a shot is discharged by gun powder or a weapon from which a shot is discharged by pressure of compressed air.

**B.** "Accessories" shall mean scopes, rings, mounts, slings and sling swivels which are attached to the insured firearm. Accessories also include

- 1.** unscheduled additional barrels with a maximum value of \$1,000 per item,
- 2.** scheduled additional barrels with an agreed upon value, and
- 3.** traps used to capture fur-bearing animals.

Unscheduled firearms and accessories do not include ammunition.