

PRODUCT EFFICACY EXCLUSION (1)

It is agreed and declared that this Policy shall not apply to Personal Injury or Property Damage resulting from the failure of the Insured's Products, or work completed by or for the Insured, to perform the function or serve the purpose intended by the insured if such failure is due to a mistake or deficiency in any design, formula, plan, specification, advertising material or printed instructions prepared or developed by the Insured; but this exclusion does not apply to Personal Injury or Property Damage resulting from the active malfunctioning of such products or work.