



## Introducing

# USI Connect

At USI Insurance Services, we continually look for innovative products and value-added services to ensure your customer satisfaction. As a result, I am excited to introduce to you , a customized website that can become your first resource for time-saving risk management and OSHA resources whenever you need them.

This new service is designed with you in mind, combining efficiency with user-friendly tools to streamline your daily work tasks. With this new tool you can:

- Receive breaking regulatory updates first, in an easy-to-understand format
- Access an online OSHA log, on-demand reporting and additional OSHA resources
- Source thousands of easily searchable resources in one central online location, on topics including risk management, employee safety, loss control, workers' compensation and more
- Communicate with over 300,000 industry peers through an online forum to ask questions and share best practices
- Participate in risk management and coverage surveys to determine how you compare to other employers across the United States

And, because you are a valued client, this new tool is provided to you at no additional cost. You will soon receive an email with login credentials and you'll be able to start using your new resource right away.



UNDERSTAND. SERVICE. INNOVATE.

# Introducing

We're excited to provide to you as a valued client of USI Insurance Services. This resource portal is your one-stop source for not just insurance but all your compliance, HR, wellness and other business needs.

We've partnered with a reputable company called Zywave to provide this portal. All the content is written by their team of experienced attorneys and professional writers, so you never have to worry about validating information again. Get to know some of the areas of and how its resources can make your day easier. And if you have any questions—at any time—feel free to contact your USI Insurance Services representative.



## Take control of OSHA compliance.

### *OSHA compliance*

Find everything you need to make sure you're in compliance with OSHA regulations, from educational briefs written in plain language to FAQs.

### *OSHA log*

Are you worried about OSHA showing up at your door? With our online tracking log, you'll always have your log up to date—it even helps you determine if an incident is recordable! Then when it's time to report, simply run one report and print it out.

### *OSHA tracking and analysis*

Do you know how your injuries compare year to year or by division, or what injury type is most common? Track your OSHA incidents easily and compare on these important breakdowns to identify trends and implement safety strategies.

## Access workplace policies and forms.

### *Safety manual*

Putting together a safety manual and gathering relevant policies is a daunting task—find everything you need in . Just search “policy” to find a wide range of sample policies, or access our comprehensive, customizable Safety Manual.

### *Common forms*

Also get access to a number of common forms, from return to work to claims to job-specific forms—and much more!

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## Manage industry-specific exposures and risks.

### *Industry exposures*

Each industry has unique exposures, risks and liabilities. Find materials specific to your industry, including risk management education, coverage explanations and employee safety resources, by typing your industry into the search bar.

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## Create and maintain a safety culture.

### *Creating or maintaining a safety program*

Whether you're just getting started or need help maintaining an existing safety program, has all the resources you need, from informational articles to comprehensive guides to employee surveys.

### *Employee safety resources*

Access hundreds of employee-focused resources on a wide range of safety topics to help reinforce your safety culture and communicate important safety topics. Resources include flyers, newsletters, supervisor safety talks, posters, videos and more.

### *Benchmark surveys*

See how your programs stack up to similar employers by checking out the benchmark surveys available on the portal, completed each quarter by thousands of employers across the country.

### *Workers' Compensation*

Many employers do not fully understand workers' compensation and that there are actions they can take to drastically reduce their workers' comp costs—learn about these important topics with a series of educational articles. Plus, access a Return to Work program and workers' comp state statutes to ensure you're in compliance with applicable regulations.

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## Tackle tough issues with ease.

### *Connect with industry peers*

Your job covers a wide range of issues and challenges—when a tough issue comes up, it can be useful to tap into someone who has experience with that specific situation.

includes access to an online community forum with thousands of HR and risk management professionals from across the country—check it out to ask questions, share best practices and get advice when you need another opinion.

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## Find what you're looking for.

Just about everything mentioned in this document can easily be found in via the search bar. If you're having trouble finding anything, or have a question about the portal, don't hesitate to contact your USI Insurance Services representative!



Public Entity

CITY HALL

MAP

CLIENT SERVICES

Management • Analysis • Prevention®



Risk control tools to help improve injury prevention and claim cost containment.

# Public Entity

## MAP CLIENT SERVICES®

**P**ublic entities face a host of safety challenges. From risks related to labor-intensive city worker positions, to emergency responders faced with driving in dangerous scenarios, to the ergonomic risks associated with administrative personnel, public entities are confronted with a significant challenge to minimize costs and maintain a healthy front line.

In response, Safety National® has developed a suite of online risk control resources to help public entities improve risk management programs. Collectively called MAP Client Services, these tools are provided on a complimentary basis to help improve program management, analysis and prevention efforts. Using these resources, public entity employers can work to build, maintain and/or supplement successful workers' compensation and casualty programs to keep their workforce safe.

### MAP Client Services is comprised of:

**Management:** Several resources that offer a wealth of information and assistance to help your organization develop and maintain a successful safety and claim cost containment program.

**Analysis:** A variety of tools that provide the ability to measure, benchmark and analyze different aspects of your programs to clearly identify opportunities for improvement.

**Prevention:** A selection of assets to help improve your loss prevention and mitigation efforts – from educating employees about potential injury exposures, to helping build proficient post-injury protocol.

**Schedule a Demo:** Our service representatives would be happy to demonstrate the capabilities of any or all tools offered through MAP Client Services. Contact us to schedule your demo at [map@safetynational.com](mailto:map@safetynational.com) or 888-995-5300.



## THE RESOURCES

**HR Essentials Online:** Available exclusively to our policyholders with employment practices liability coverage, this online resource includes tools to help with human resources management. From hiring practices and writing job descriptions, to training managers and understanding complicated leave laws, this resource will help keep your organization in compliance.

**Law Enforcement Liability Resources:** Available exclusively to our law enforcement liability policyholders, this resource includes a downloadable law enforcement liability assessment, sample law enforcement and jail operations policies and procedures manuals, and access to live law enforcement consulting services.

**Safety Essentials Online:** This online resource library provides customizable and downloadable training tools to help improve safety and health compliance, best practices, policies and written programs.

**Workers' Comp Kit®:** This resource puts best practices at your fingertips in a streamlined, online format. Users can assess current processes then apply systematic improvement and implementation tools to augment current programs. Also includes cost/savings calculators and a library of customizable reports, presentations, forms and checklists.

**Safety Training Source:** A rich media learning management system that allows users to build, assign and monitor a customized safety training curriculum. Over 150 courses are included, with select items available in Spanish.

**S:ERVE:** Safety Emergency Responder Vehicle Education (S:ERVE) is an online driver simulation and curriculum created to educate first responders to drive at their safest during intersection negotiation scenarios.

**Distracted Driving:** This course is designed to train all employees that drive on the job. Through online simulation, employees will learn how to eliminate controllable distractions and how to make necessary adjustments for uncontrollable distractions.

**Safety National Crisis Protection®:** A domestic crisis management and international extraction benefit provided exclusively for Safety National's excess, large deductible and select guaranteed cost workers' compensation policyholders.

**Office Ergonomic Solutions:** This online ergonomic assessment e-mails personalized recommendations and allows an organization to easily monitor changes in employees' risk of injury and comfort levels.



## Safety National

1832 Schuetz Road  
St. Louis, Missouri 63146

**Phone** 888.995.5300 (toll-free)  
314.995.5300

**E-mail** [info@safetynational.com](mailto:info@safetynational.com)

**Web** [www.safetynational.com](http://www.safetynational.com)



TOKIO MARINE  
GROUP





## Risk Advisory Practice

# Risk Performance Navigator: A Customized Solution to Help You Manage and Reduce Your Cost of Risk

When it comes to successfully identifying opportunities to reduce exposure to risk and the costs associated with these risks, companies must look well beyond compliance, and focus on broader risk management issues and best practices. This is especially critical for organizations with loss-sensitive property and casualty (P&C) program structures, which have the potential to yield significant financial benefits from controlling risk and related claim costs.

To help companies in all industries confidently navigate the way toward best practices in managing risk, USI Insurance Services has developed the Navigator process, which uses a holistic approach that leverages data to understand and manage your risk. As part of this process, we developed a proprietary, web-based diagnostic application called Risk Performance Navigator (RPN).

RPN is a web-based assessment designed to help your organization identify opportunities to reduce, control, or eliminate exposure to risk and related claim costs. Using this assessment application, we will assist you in identifying procedural gaps and corrective action steps.

## The Process

- Extends beyond compliance, and focuses on broad risk management areas and best practices
- Provides a detailed operational and functional analysis of your risk management organization
- Concentrates on helping you identify opportunities to reduce your exposures and overall cost of risk — and helps prioritize efforts to execute improvements

Using USI's experience in risk management, this robust diagnostic application assesses your risk management practices, culture, and operational activities. This holistic assessment is designed to measure procedural strengths and weaknesses in ten critical performance areas



Commitment to risk management	➔	Is there an executive-level focus on risk management?
Employee safety practices	➔	Do you have established and properly executed loss-prevention programs in place?
Asset management and protection practices	➔	How are you managing loss exposures for tangible and intangible assets, as well as risks regarding the vendors who service your facilities?
Claims management practices	➔	Do you have established processes to manage and mitigate claims when they occur?
Risk data analytics and risk management information systems (RMIS)	➔	How is your company using risk data? Is the data being used in corporate risk management decision-making?
Transportation safety	➔	What transportation safety procedures are limiting your ability to reduce loss exposures?
Vendor management	➔	Is your organization sufficiently transferring and managing risk with vendors?
Third Party Exposure Management	➔	Is your company appropriately managing hazards and controls related to third party liability exposures?
Wellness	➔	How focused is your company on employee health and the connection with safety?
Cyber Security	➔	Is your company prepared for potential exposures related to cyber risk?

Risk Performance Navigator enables USI to intelligently scale our risk management specialists' organizational experience by automating certain aspects of the risk assessment and consulting processes. Benefits of automating data collection, risk analysis, and risk reporting include the following:

- Consistent and repeatable process that produces high quality, situation-specific client deliverables
- Improved operational efficiencies
- Delivery of real-time consultative reports to clients
- Ability to scale service activities and extend the reach of USI's services
- Benchmarking of client risk performance

This proprietary application leverages the technology and design expertise of Assessment Forge, LLC, a company in Cambridge, Massachusetts that automates business process assessments. It allows us to:

- Launch a smart, web-based survey, which follows USI sequencing logic

- Run powerful rules engine that analyzes data to generate risk performance reports and calculate comprehensive scoring using generation algorithms that are designed to support USI Risk Management consultants' thought process.
- Compare a client's performance against best practices and peer review performance against inventoried assessments. The system architecture and content are designed to facilitate low-cost design and deployment of assessments, focused on additional specialty risk management topics.

## Your RPN Report

Your report will include scores for each of your focus areas, as well as recommendations for improvement. We'll consult with you to determine what steps are needed to achieve best practice performance, and we can help you implement strategies to close process gaps. By following these important steps, you can gain the potential to improve efficiencies, have better control over your risk management program, and ultimately reduce your cost of risk.

## Risk Performance Navigator Focus Areas

### Commitment to Risk Improvement

- Risk management responsibility
- "Cost-of-risk" awareness
- Risk management planning
- Management accountability
- Human Resources involvement
- Risk management resource planning

### Employee Safety

- Safety culture
- Safety mission statement
- Management support
- Goals and objectives
- Resources and operational structures
- Hazard recognition
- Safety program content
- Safety program management
- Safety training focus
- Training and development

### Transportation Safety

- Fleet exposures
- Non-owned hired auto controls
- Fleet risk management

### Vendor Management

- Vendor/contractor qualification program
- Contractual risk transfer program
- Risk transfer document management
- Vendor/contractor orientation and training

# Risk Performance Navigator Focus Areas

## Claims Management

- Claims administration resources
- Claims managed by a specific department
- Additional claims management responsibilities
- Claim handling procedures
- Incident investigation
- Claim reporting
- Timeliness of claim reporting
- Claim reporting responsibility
- Methods of claim reporting
- Workers' compensation claim procedures
- Return-to-work procedures
- Managed care
- Medical bill review
- Litigation guidelines
- Litigation guidelines updated
- Litigation guidelines communication
- Litigation oversight
- Defense counsel selection process
- Defense counsel metrics
- Legal bill review details
- Claims administration
- Claims staffing
- Jurisdiction licensing
- Claim handling procedures
- Claim administration characteristics
- Claim administration program

## Asset Management and Protection

- Property exposure review
- Inventory of physical assets
- Inspection procedures
- Testing and maintenance

## Risk Data Analytics and RMIS

- Data usage
- Data analytics
- Data collection
- Types of analytics
- Allocation formats
- Data integrity

## Third Party Liability Exposures

- Product Safety
- Slip and Falls
- Premises Security
- Completed Operations
- Child/Elder Care
- Molestation/Assault/Abuse

## Wellness

- Strategic planning
- \*Measurable Objectives
- Wellness Policies
- Program/Data Resources

## Cyber Security

- Technology and Data Governance
- Information Security
- Plan details
- Cloud Migration
- Training
- Program Implementation validation
- Incident recovery/response

## The USI ONE Advantage®

To analyze our client's business issues and challenges, our teams utilize USI ONE®, a fundamentally different approach to risk management. USI ONE integrates proprietary analytics with a network of local and national technical experts in a team based consultative planning process to evaluate the client's risk profile and identify targeted solutions focused on cost reduction and coverage or service enhancement. Clients then receive tailored, comprehensive recommendations for tighter, more cost-effective control of defining exposures. Our robust analytics, deep industry expertise, hands-on services and ongoing, diligent follow-through aligns with clients' strategic objectives by delivering solutions that have a meaningful economic effect.

### How Can We Help?

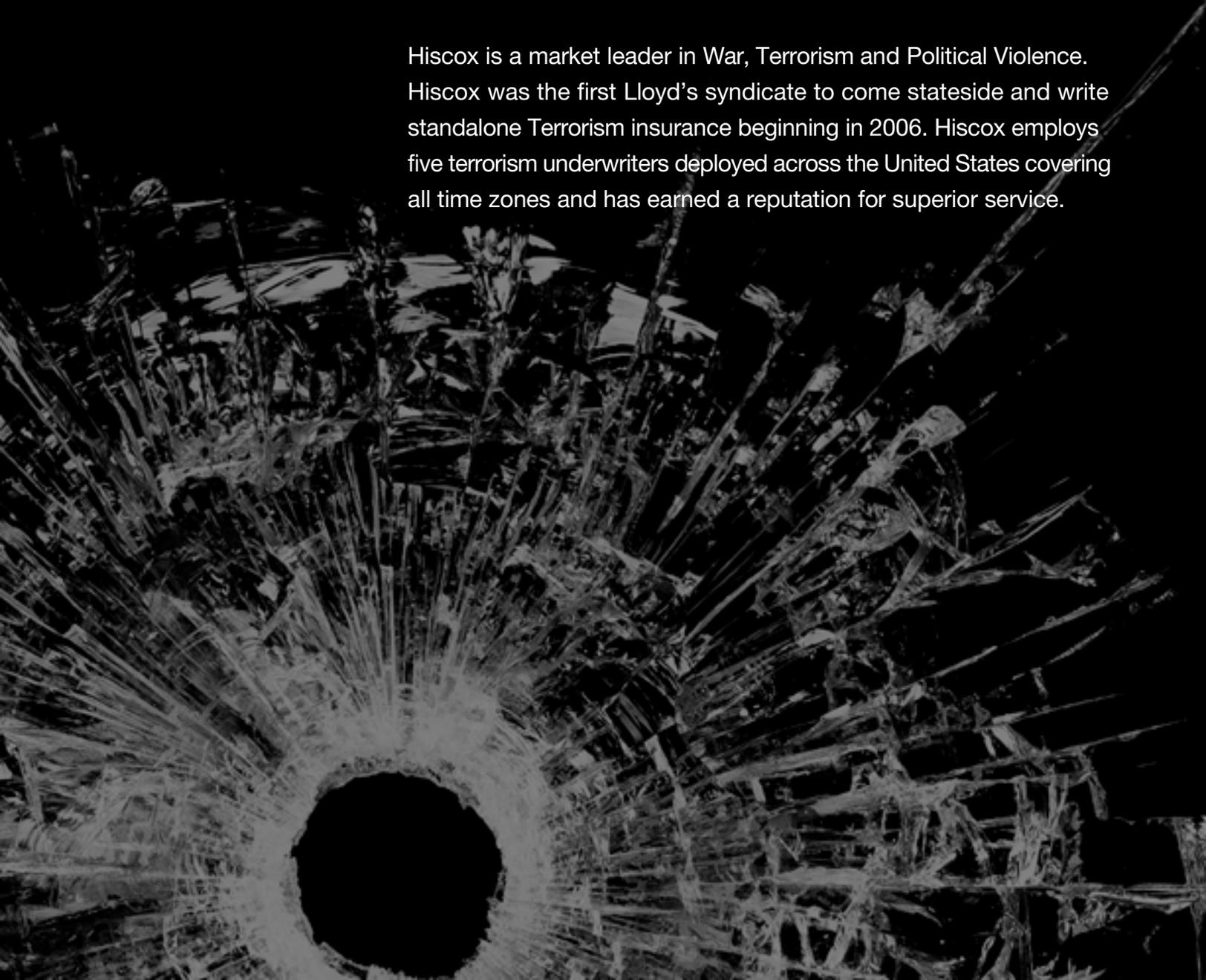
For more information about this topic, please contact your local USI Consultant, or visit us at [www.usi.com](http://www.usi.com).

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## Active Shooter & Malicious Attack Property and Liability Coverage

Hiscox is a market leader in War, Terrorism and Political Violence. Hiscox was the first Lloyd's syndicate to come stateside and write standalone Terrorism insurance beginning in 2006. Hiscox employs five terrorism underwriters deployed across the United States covering all time zones and has earned a reputation for superior service.



# Active Shooter & Malicious Attack Property and Liability Coverage

## An Active Shooter event is defined as an event that:

- Involves the use of a firearm, hand held weapon or motor vehicle
  - Is intended to harm another person or group of persons; and
  - Is carried out or attempted by any person or group of persons acting alone or on behalf of or in connection with any organization
  - Motive does not have to be political, religious, or ideological. Malicious attacks are eligible for coverage.
- Indemnity for ingress/egress income loss if shooting event occurs within one mile of Insured's location
  - Indemnity for loss of attraction income loss (i.e.; reservation cancellations) if shooting event occurs within one mile of insured's location

## An Active Shooter & Malicious Attack policy includes:

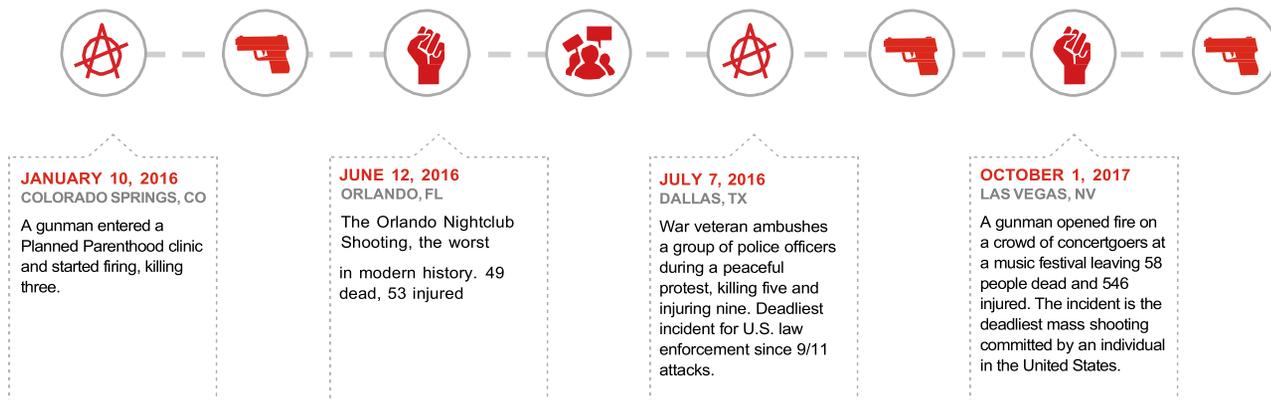
- Indemnity for business interruption
  - Period of indemnity up to 180 days
  - Indemnity for extra expenses to reduce BI loss
  - An additional 90 days for extended period of indemnity
- Indemnity for crisis response, including up to:
  - \$250,000 for additional security
  - \$250,000 for counseling
  - \$250,000 for public relations

## Active Shooter & Malicious Attack Liability includes:

- Indemnity for third-party liability
  - Automatic medical payments and funeral expenses regardless of fault
  - Defense costs (within the limit of insurance)
  - Damages payments

This policy will sit primary as respects "other insurance"

## Recent Shooting Events



## Risk Management

Weber Shandwick is one of the world's leading global public relations firms with offices in major media, business and government capitals around the world. Weber has partnered with Hiscox to provide our insureds with top notch crisis response services.

- Weber Shandwick service is a part of the policy
- No additional fee

This broker communication is for preliminary informational purposes only. The exact coverage afforded by the products described herein is subject to and governed by the terms and conditions of each policy issued. This information may not be used to modify any policy that might be issued. Coverage is made available through Hiscox Inc. d/b/a Hiscox Insurance Agency in CA, which is licensed in all states. The products described are underwritten by Hiscox syndicates at Lloyd's, London and are available only on a surplus lines basis through licensed surplus lines brokers. The publication and delivery of this information is not intended to be a solicitation by Lloyd's for the purchase of insurance on any US risk.

\*A.M Best rating as of September 1, 2016

<http://timelines.latimes.com/deadliest-shooting-rampages/>

## Contact your local underwriter

[www.hiscoxbroker.com/contact-us](http://www.hiscoxbroker.com/contact-us)

Northeast  
646 452 2353

Northwest  
415 814 1455

Southeast  
404 410 2800

Southwest  
213 412 1210

Midwest  
312 380 5555

  
**HISCOX R5™**  
rapid response • recover • rebuild • renew

## PROPOSAL FORM FOR INLAND MARINE

**EDP EQUIPMENT AND MEDIA—**

1. Proposed Insurer XL Specialty Insurance Company
2. Estimated Annual Premium: \$3,807 (Includes \$75 TRIPRA)

Limits/Coverages	Combined Per-Occurrence Deductibles		
	\$50,000	\$100,000	Other
Equipment (Incl Media/Software) Blanket Per Schedule			\$5,000 ded
In-Transit/Unnamed Loc \$50,000 \$100,000			\$100K quoted
Extra Expense \$100,000 \$200,000			\$100K quoted
Premium to include Flood & Earthquake			Includes Flood & Quake at \$250K

Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No

3. Please indicate if coverage is extended to include the following and any additional premium:

a. Location defined as “any location owned or occupied by the County.”

Yes  No Included Premium

b. Coverage to include damage due to electrical and magnetic injury, mechanical breakdown and losses arising out of changes in temperature, humidity, dampness, etc.

Yes  No Included Premium

c. Valuation for equipment on a replacement-cost basis.

Yes  No Included Premium

d. No defined measure of recovery (EDP/EE).

Yes  No Included Premium

Damage to data included.

Yes  No Included Premium

f. Automatic coverage for newly acquired EDP.

Yes  No \_\_\_\_\_ Premium

g. Unintentional errors or omissions in reporting will not prejudice the coverage.

Yes  No \_\_\_\_\_ Premium



# BEAZLEY BREACH RESPONSE

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## BEAZLEY BREACH RESPONSE

THIS POLICY'S LIABILITY INSURING AGREEMENTS PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE OPTIONAL EXTENSION PERIOD (IF APPLICABLE) AND REPORTED TO THE UNDERWRITERS IN ACCORDANCE WITH THE TERMS OF THIS POLICY. AMOUNTS INCURRED AS CLAIMS EXPENSES UNDER THIS POLICY WILL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO RETENTIONS.

Please refer to the Declarations, which show the insuring agreements that the **Named Insured** purchased. If an insuring agreement has not been purchased, coverage under that insuring agreement of this Policy will not apply.

The Underwriters agree with the **Named Insured**, in consideration of the payment of the premium and reliance upon the statements contained in the information and materials provided to the Underwriters in connection with the underwriting and issuance of this Insurance Policy (hereinafter referred to as the "Policy") and subject to all the provisions, terms and conditions of this Policy:

### INSURING AGREEMENTS

#### Breach Response

To provide **Breach Response Services** to the **Insured Organization** because of an actual or reasonably suspected **Data Breach** or **Security Breach** that the **Insured** first discovers during the **Policy Period**.

#### First Party Loss

To indemnify the **Insured Organization** for:

##### *Business Interruption Loss*

**Business Interruption Loss** that the **Insured Organization** sustains as a result of a **Security Breach** or **System Failure** that the **Insured** first discovers during the **Policy Period**.

##### *Dependent Business Interruption Loss*

**Dependent Business Loss** that the **Insured Organization** sustains as a result of a **Dependent Security Breach** or a **Dependent System Failure** that the **Insured** first discovers during the **Policy Period**.

##### *Cyber Extortion Loss*

**Cyber Extortion Loss** that the **Insured Organization** incurs as a result of an **Extortion Threat** first made against the **Insured Organization** during the **Policy Period**.

##### *Data Recovery Costs*

**Data Recovery Costs** that the **Insured Organization** incurs as a direct result of a **Security Breach** that the **Insured** first discovers during the **Policy Period**.

## Liability

### *Data & Network Liability*

To pay **Damages** and **Claims Expenses**, which the **Insured** is legally obligated to pay because of any **Claim** first made against any **Insured** during the **Policy Period** for:

1. a **Data Breach**;
2. a **Security Breach**;
3. the **Insured Organization's** failure to timely disclose a **Data Breach** or **Security Breach**;
4. failure by the **Insured** to comply with that part of a **Privacy Policy** that specifically:
  - (a) prohibits or restricts the **Insured Organization's** disclosure, sharing or selling of **Personally Identifiable Information**;
  - (b) requires the **Insured Organization** to provide an individual access to **Personally Identifiable Information** or to correct incomplete or inaccurate **Personally Identifiable Information** after a request is made; or
  - (c) mandates procedures and requirements to prevent the loss of **Personally Identifiable Information**;

provided the **Insured Organization** has in force, at the time of such failure, a **Privacy Policy** that addresses those subsections above that are relevant to such **Claim**.

### *Regulatory Defense & Penalties*

To pay **Penalties** and **Claims Expenses**, which the **Insured** is legally obligated to pay because of a **Regulatory Proceeding** first made against any **Insured** during the **Policy Period** for a **Data Breach** or a **Security Breach**.

### *Payment Card Liabilities & Costs*

To indemnify the **Insured Organization** for **PCI Fines, Expenses and Costs** which it is legally obligated to pay because of a **Claim** first made against any **Insured** during the **Policy Period**.

### *Media Liability*

To pay **Damages** and **Claims Expenses**, which the **Insured** is legally obligated to pay because of any **Claim** first made against any **Insured** during the **Policy Period** for **Media Liability**.

## eCrime

To indemnify the **Insured Organization** for any direct financial loss sustained resulting from:

1. **Fraudulent Instruction**;

2. **Funds Transfer Fraud**; or
3. **Telephone Fraud**;

that the **Insured** first discovers during the **Policy Period**.

### **Criminal Reward**

To indemnify the **Insured Organization** for **Criminal Reward Funds**.

## **DEFINITIONS**

**Additional Insured** means any person or entity that the **Insured Organization** has agreed in writing to add as an **Additional Insured** under this Policy prior to the commission of any act for which such person or entity would be provided coverage under this Policy, but only to the extent the **Insured Organization** would have been liable and coverage would have been afforded under the terms and conditions of this Policy had such **Claim** been made against the **Insured Organization**.

**Breach Notice Law** means any statute or regulation that requires notice to persons whose personal information was accessed or reasonably may have been accessed by an unauthorized person. **Breach Notice Law** also includes any statute or regulation requiring notice of a **Data Breach** to be provided to governmental or regulatory authorities.

**Breach Response Services** means the following fees and costs in response to an actual or reasonably suspected **Data Breach** or **Security Breach**:

1. for an attorney to provide necessary legal advice to the **Insured Organization** to evaluate its obligations pursuant to **Breach Notice Laws** or a **Merchant Services Agreement** and in connection with providing the **Breach Response Services** described below;
2. for a computer security expert to determine the existence, cause and scope of an actual or reasonably suspected **Data Breach**, and if such **Data Breach** is actively in progress on the **Insured Organization's Computer Systems**, to assist in containing it;
3. for a PCI Forensic Investigator to investigate the existence and extent of an actual or reasonably suspected **Data Breach** involving payment card data and for a Qualified Security Assessor to certify and assist in attesting to the **Insured Organization's** PCI compliance, as required by a **Merchant Services Agreement**;
4. to notify those individuals whose **Personally Identifiable Information** was potentially impacted by a **Data Breach** exceeding the **Notified Individuals Threshold**;
5. to provide a call center to respond to inquiries about a **Data Breach** that exceeds the **Notified Individuals Threshold**;
6. to provide a credit monitoring, identity monitoring or other solution listed in the Information Packet to individuals whose **Personally Identifiable Information** was potentially impacted by a **Data Breach** exceeding the **Notified Individuals Threshold**; and

7. public relations and crisis management costs directly related to mitigating harm to the **Insured Organization** which are approved in advance by the Underwriters in their discretion.

**Breach Response Services** will be provided by providers listed in the Information Packet, will be subject to the terms and conditions of this Policy and the Information Packet, and will not include any internal salary or overhead expenses of the **Insured Organization**. **Breach Response Services** also includes assistance from the BBR Services Team and access to **Education and Loss Prevention Tools**.

**Business Interruption Loss** means:

1. **Income Loss**;
2. **Forensic Expenses**; and
3. **Extra Expense**;

actually sustained during the **Period of Restoration** as a result of the actual interruption of the **Insured Organization's** business operations caused by a **Security Breach** or **System Failure**. Coverage for **Business Interruption Loss** will apply only after the **Waiting Period** has elapsed.

**Business Interruption Loss** will not include (i) loss arising out of any liability to any third party; (ii) legal costs or legal expenses; (iii) loss incurred as a result of unfavorable business conditions; (iv) loss of market or any other consequential loss; (v) **Dependent Business Loss**; or (vi) **Data Recovery Costs**.

**Claim** means:

1. a written demand received by any **Insured** for money or services;
2. with respect to coverage provided under the Regulatory Defense & Penalties insuring agreement only, institution of a **Regulatory Proceeding** against any **Insured**; and
3. with respect to coverage provided under part 1. of the Data & Network Liability insuring agreement only, a demand received by any **Insured** to fulfill the **Insured Organization's** contractual obligation to provide notice of a **Data Breach** pursuant to a **Breach Notice Law**;

Multiple **Claims** arising from the same or a series of related, repeated or continuing acts, errors, omissions or events will be considered a single **Claim** for the purposes of this Policy. All such **Claims** will be deemed to have been made at the time of the first such **Claim**.

**Claims Expenses** means:

1. all reasonable and necessary legal costs and expenses resulting from the investigation, defense and appeal of a **Claim**, if incurred by the Underwriters, or by the **Insured** with the prior written consent of the Underwriters; and
2. the premium cost for appeal bonds for covered judgments or bonds to release property used to secure a legal obligation, if required in any **Claim** against an **Insured**; provided the Underwriters will have no obligation to appeal or to obtain bonds.

**Claims Expenses** will not include any salary, overhead, or other charges by the **Insured** for any time spent in cooperating in the defense and investigation of any **Claim** or circumstance that might lead to a **Claim** notified under this Policy, or costs to comply with any regulatory orders, settlements or judgments.

**Computer Systems** means computers, any software residing on such computers and any associated devices or equipment:

1. operated by and either owned by or leased to the **Insured Organization**; or
2. with respect to coverage under the Breach Response and Liability insuring agreements, operated by a third party pursuant to written contract with the **Insured Organization** and used for the purpose of providing hosted computer application services to the **Insured Organization** or for processing, maintaining, hosting or storing the **Insured Organization's** electronic data.

**Continuity Date** means:

1. the Continuity Date listed in the Declarations; and
2. with respect to any **Subsidiaries** acquired after the Continuity Date listed in the Declarations, the date the **Named Insured** acquired such **Subsidiary**.

**Control Group** means any principal, partner, corporate officer, director, general counsel (or most senior legal counsel) or risk manager of the **Insured Organization** and any individual in a substantially similar position.

**Criminal Reward Funds** means any amount offered and paid by the **Insured Organization** with the Underwriters' prior written consent for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this Policy; but will not include any amount based upon information provided by the **Insured**, the **Insured's** auditors or any individual hired or retained to investigate the illegal acts. All **Criminal Reward Funds** offered pursuant to this Policy must expire no later than 6 months following the end of the **Policy Period**.

**Cyber Extortion Loss** means:

1. any **Extortion Payment** that has been made by or on behalf of the **Insured Organization** with the Underwriters' prior written consent to prevent or terminate an **Extortion Threat**; and
2. reasonable and necessary expenses incurred by the **Insured Organization** with the Underwriters' prior written consent to prevent or respond to an **Extortion Threat**.

**Damages** means a monetary judgment, award or settlement, including any award of prejudgment or post-judgment interest; but **Damages** will not include:

1. future profits, restitution, disgorgement of unjust enrichment or profits by an **Insured**, or the costs of complying with orders granting injunctive or equitable relief;
2. return or offset of fees, charges or commissions charged by or owed to an **Insured** for goods or services already provided or contracted to be provided;
3. taxes or loss of tax benefits;
4. fines, sanctions or penalties;

5. punitive or exemplary damages or any damages which are a multiple of compensatory damages, unless insurable by law in any applicable venue that most favors coverage for such punitive, exemplary or multiple damages;
6. discounts, coupons, prizes, awards or other incentives offered to the **Insured's** customers or clients;
7. liquidated damages, but only to the extent that such damages exceed the amount for which the **Insured** would have been liable in the absence of such liquidated damages agreement;
8. fines, costs or other amounts an **Insured** is responsible to pay under a **Merchant Services Agreement**; or
9. any amounts for which the **Insured** is not liable, or for which there is no legal recourse against the **Insured**.

**Data** means any software or electronic data that exists in **Computer Systems** and that is subject to regular back-up procedures.

**Data Breach** means the theft, loss, or **Unauthorized Disclosure** of **Personally Identifiable Information** or **Third Party Information** that is in the care, custody or control of the **Insured Organization** or a third party for whose theft, loss or **Unauthorized Disclosure** of **Personally Identifiable Information** or **Third Party Information** the **Insured Organization** is liable.

**Data Recovery Costs** means the reasonable and necessary costs incurred by the **Insured Organization** to regain access to, replace, or restore **Data**, or if **Data** cannot reasonably be accessed, replaced, or restored, then the reasonable and necessary costs incurred by the **Insured Organization** to reach this determination.

**Data Recovery Costs** will not include: (i) the monetary value of profits, royalties, or lost market share related to **Data**, including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of **Data**; (ii) legal costs or legal expenses; (iii) loss arising out of any liability to any third party; or (iv) **Cyber Extortion Loss**.

**Dependent Business** means any entity that is not a part of the **Insured Organization** but which provides necessary products or services to the **Insured Organization** pursuant to a written contract.

**Dependent Business Loss** means:

1. **Income Loss**; and
2. **Extra Expense**;

actually sustained during the **Period of Restoration** as a result of an actual interruption of the **Insured Organization's** business operations caused by a **Dependent Security Breach** or **Dependent System Failure**. Coverage for **Dependent Business Loss** will apply only after the **Waiting Period** has elapsed.

**Dependent Business Loss** will not include (i) loss arising out of any liability to any third party; (ii) legal costs or legal expenses; (iii) loss incurred as a result of unfavorable business conditions; (iv) loss of market or any other consequential loss; (v) **Business Interruption Loss**; or (vi) **Data Recovery Costs**.

**Dependent Security Breach** means a failure of computer security to prevent a breach of computer systems operated by a **Dependent Business**.

**Dependent System Failure** means an unintentional and unplanned interruption of computer systems operated by a **Dependent Business**.

**Dependent System Failure** will not include any interruption of computer systems resulting from (i) a **Dependent Security Breach**, or (ii) the interruption of computer systems that are not operated by a **Dependent Business**.

**Digital Currency** means a type of digital currency that:

1. requires cryptographic techniques to regulate the generation of units of currency and verify the transfer thereof;
2. is both stored and transferred electronically; and
3. operates independently of a central bank or other central authority.

**Education and Loss Prevention Tools** means information and services made available by the Underwriters from time to time and includes access to beazleybreacholutions.com, a dedicated portal through which **Insureds** can access news and information regarding breach response planning, data and network security threats, best practices in protecting data and networks, offers from third party service providers, and related information, tools and services. **Insureds** will also have access to communications addressing timely topics in data security, loss prevention and other areas.

**Extortion Payment** means **Money**, **Digital Currency**, marketable goods or services demanded to prevent or terminate an **Extortion Threat**.

**Extortion Threat** means a threat to:

1. alter, destroy, damage, delete or corrupt **Data**;
2. perpetrate the **Unauthorized Access or Use of Computer Systems**;
3. prevent access to **Computer Systems** or **Data**;
4. steal, misuse or publicly disclose **Data**, **Personally Identifiable Information** or **Third Party Information**;
5. introduce malicious code into **Computer Systems** or to third party computer systems from **Computer Systems**; or
6. interrupt or suspend **Computer Systems**;

unless an **Extortion Payment** is received from or on behalf of the **Insured Organization**.

**Extra Expense** means reasonable and necessary expenses incurred by the **Insured Organization** during the **Period of Restoration** to minimize, reduce or avoid **Income Loss**, over and above those expenses the **Insured Organization** would have incurred had no **Security Breach**, **System Failure**, **Dependent Security Breach** or **Dependent System Failure** occurred.

**Financial Institution** means a bank, credit union, saving and loan association, trust company or other licensed financial service, securities broker-dealer, mutual fund, or liquid assets fund or similar investment company where the **Insured Organization** maintains a bank account.

**Forensic Expenses** means reasonable and necessary expenses incurred by the **Insured Organization** to investigate the source or cause of a **Business Interruption Loss**.

**Fraudulent Instruction** means the transfer, payment or delivery of **Money** or **Securities** by an **Insured** as a result of fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions provided by a third party, that is intended to mislead an **Insured** through the misrepresentation of a material fact which is relied upon in good faith by such **Insured**.

**Fraudulent Instruction** will not include loss arising out of:

1. fraudulent instructions received by the **Insured** which are not first authenticated via a method other than the original means of request to verify the authenticity or validity of the request;
2. any actual or alleged use of credit, debit, charge, access, convenience, customer identification or other cards;
3. any transfer involving a third party who is not a natural person **Insured**, but had authorized access to the **Insured's** authentication mechanism;
4. the processing of, or the failure to process, credit, check, debit, personal identification number debit, electronic benefit transfers or mobile payments for merchant accounts;
5. accounting or arithmetical errors or omissions, or the failure, malfunction, inadequacy or illegitimacy of any product or service;
6. any liability to any third party, or any indirect or consequential loss of any kind;
7. any legal costs or legal expenses; or
8. proving or establishing the existence of **Fraudulent Instruction**.

**Funds Transfer Fraud** means the loss of **Money** or **Securities** contained in a **Transfer Account** at a **Financial Institution** resulting from fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions by a third party issued to a **Financial Institution** directing such institution to transfer, pay or deliver **Money** or **Securities** from any account maintained by the **Insured Organization** at such institution, without the **Insured Organization's** knowledge or consent.

**Funds Transfer Fraud** will not include any loss arising out of:

1. the type or kind covered by the **Insured Organization's** financial institution bond or commercial crime policy;
2. any actual or alleged fraudulent, dishonest or criminal act or omission by, or involving, any natural person **Insured**;
3. any indirect or consequential loss of any kind;
4. punitive, exemplary or multiplied damages of any kind or any fines, penalties or loss of any tax benefit;
5. any liability to any third party, except for direct compensatory damages arising directly from **Funds Transfer Fraud**;

6. any legal costs or legal expenses; or proving or establishing the existence of **Funds Transfer Fraud**;
7. the theft, disappearance, destruction of, unauthorized access to, or unauthorized use of confidential information, including a PIN or security code;
8. any forged, altered or fraudulent negotiable instruments, securities, documents or instructions; or
9. any actual or alleged use of credit, debit, charge, access, convenience or other cards or the information contained on such cards.

**Income Loss** means an amount equal to:

1. net profit or loss before interest and tax that the **Insured Organization** would have earned or incurred; and
2. continuing normal operating expenses incurred by the **Insured Organization** (including payroll), but only to the extent that such operating expenses must necessarily continue during the **Period of Restoration**.

**Individual Contractor** means any natural person who performs labor or service for the **Insured Organization** pursuant to a written contract or agreement with the **Insured Organization**. The status of an individual as an **Individual Contractor** will be determined as of the date of an alleged act, error or omission by any such **Individual Contractor**.

**Insured** means:

1. the **Insured Organization**;
2. any director or officer of the **Insured Organization**, but only with respect to the performance of his or her duties as such on behalf of the **Insured Organization**;
3. an employee (including a part time, temporary, leased or seasonal employee or volunteer) or **Individual Contractor** of the **Insured Organization**, but only for work done while acting within the scope of his or her employment and related to the conduct of the **Insured Organization's** business;
4. a principal if the **Named Insured** is a sole proprietorship, or a partner if the **Named Insured** is a partnership, but only with respect to the performance of his or her duties as such on behalf of the **Insured Organization**;
5. any person who previously qualified as an **Insured** under parts 2. - 4., but only with respect to the performance of his or her duties as such on behalf of the **Insured Organization**;
6. an **Additional Insured**, but only as respects **Claims** against such person or entity for acts, errors or omissions of the **Insured Organization**;
7. the estate, heirs, executors, administrators, assigns and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be provided coverage under this Policy; and

8. the lawful spouse, including any natural person qualifying as a domestic partner of any **Insured**, but solely by reason of any act, error or omission of an **Insured** other than such spouse or domestic partner.

**Insured Organization** means the **Named Insured** and any **Subsidiaries**.

**Loss** means **Breach Response Services, Business Interruption Loss, Claims Expenses, Criminal Reward Funds, Cyber Extortion Loss, Damages, Data Recovery Costs, Dependent Business Loss, PCI Fines, Expenses and Costs, Penalties**, loss covered under the eCrime insuring agreement and any other amounts covered under this Policy.

Multiple **Losses** arising from the same or a series of related, repeated or continuing acts, errors, omissions or events will be considered a single **Loss** for the purposes of this Policy.

With respect to the Breach Response and First Party Loss insuring agreements, all acts, errors, omissions or events (or series of related, repeated or continuing acts, errors, omissions or events) giving rise to a **Loss** or multiple **Losses** in connection with such insuring agreements will be deemed to have been discovered at the time the first such act, error, omission or event is discovered.

**Media Liability** means one or more of the following acts committed by, or on behalf of, the **Insured Organization** in the course of creating, displaying, broadcasting, disseminating or releasing **Media Material** to the public:

1. defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization;
2. a violation of the rights of privacy of an individual, including false light, intrusion upon seclusion and public disclosure of private facts;
3. invasion or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice or likeness;
4. plagiarism, piracy, or misappropriation of ideas under implied contract;
5. infringement of copyright;
6. infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, or slogan, service mark or service name;
7. improper deep-linking or framing;
8. false arrest, detention or imprisonment;
9. invasion of or interference with any right to private occupancy, including trespass, wrongful entry or eviction; or
10. unfair competition, if alleged in conjunction with any of the acts listed in parts 5. or 6. above.

**Media Material** means any information, including words, sounds, numbers, images or graphics, but will not include computer software or the actual goods, products or services described, illustrated or displayed in such **Media Material**.

**Merchant Services Agreement** means any agreement between an **Insured** and a financial institution, credit/debit card company, credit/debit card processor or independent service operator enabling an **Insured** to accept credit card, debit card, prepaid card or other payment cards for payments or donations.

**Money** means a medium of exchange in current use authorized or adopted by a domestic or foreign government as a part of its currency.

**Named Insured** means the Named Insured listed in the Declarations.

**Notified Individuals Threshold** means the number of individual persons listed in the Declarations.

**PCI Fines, Expenses and Costs** means the monetary amount owed by the **Insured Organization** under the terms of a **Merchant Services Agreement** as a direct result of a suspected **Data Breach**. With the prior consent of the Underwriters, **PCI Fines, Expenses and Costs** includes reasonable and necessary legal costs and expenses incurred by the **Insured Organization** to appeal or negotiate an assessment of such monetary amount. **PCI Fines, Expenses and Costs** will not include any charge backs, interchange fees, discount fees or other fees unrelated to a **Data Breach**.

**Penalties** means:

1. any monetary civil fine or penalty payable to a governmental entity that was imposed in a **Regulatory Proceeding**; and
2. amounts which the **Insured** is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a **Regulatory Proceeding** (including such amounts required to be paid into a "Consumer Redress Fund");

but will not include: (a) costs to remediate or improve **Computer Systems**; (b) costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programs or policies; (c) audit, assessment, compliance or reporting costs; or (d) costs to protect the confidentiality, integrity and/or security of **Personally Identifiable Information** or other information.

The insurability of **Penalties** will be in accordance with the law in the applicable venue that most favors coverage for such **Penalties**.

**Period of Restoration** means the 180-day period of time that begins upon the actual and necessary interruption of the **Insured Organization's** business operations.

**Personally Identifiable Information** means:

1. any information concerning an individual that is defined as personal information under any **Breach Notice Law**; and
2. an individual's drivers license or state identification number, social security number, unpublished telephone number, and credit, debit or other financial account numbers in combination with associated security codes, access codes, passwords or PINs; if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual's financial account or medical record information.

but will not include information that is lawfully made available to the general public.

**Policy Period** means the period of time between the inception date listed in the Declarations and the effective date of termination, expiration or cancellation of this Policy and specifically excludes any Optional Extension Period or any prior policy period or renewal period.

**Privacy Policy** means the **Insured Organization's** public declaration of its policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to **Personally Identifiable Information**.

**Regulatory Proceeding** means a request for information, civil investigative demand, or civil proceeding brought by or on behalf of any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.

**Securities** means negotiable and non-negotiable instruments or contracts representing either **Money** or tangible property that has intrinsic value.

**Security Breach** means a failure of computer security to prevent:

1. **Unauthorized Access or Use of Computer Systems**, including **Unauthorized Access or Use** resulting from the theft of a password from a **Computer System** or from any **Insured**;
2. a denial of service attack affecting **Computer Systems**;
3. with respect to coverage under the Liability insuring agreements, a denial of service attack affecting computer systems that are not owned, operated or controlled by an **Insured**; or
4. infection of **Computer Systems** by malicious code or transmission of malicious code from **Computer Systems**.

**Subsidiary** means any entity:

1. which, on or prior to the inception date of this Policy, the **Named Insured** owns, directly or indirectly, more than 50% of the outstanding voting securities ("Management Control"); and
2. which the **Named Insured** acquires Management Control after the inception date of this Policy; provided that:
  - (i) the revenues of such entity do not exceed 15% of the **Named Insured's** annual revenues; or
  - (ii) if the revenues of such entity exceed 15% of the **Named Insured's** annual revenues, then coverage under this Policy will be afforded for a period of 60 days, but only for any **Claim** that arises out of any act, error, omission, incident or event first occurring after the entity becomes so owned. Coverage beyond such 60 day period will only be available if the **Named Insured** gives the Underwriters written notice of the acquisition, obtains the written consent of Underwriters to extend coverage to the entity beyond such 60 day period and agrees to pay any additional premium required by Underwriters.

This Policy provides coverage only for acts, errors, omissions, incidents or events that occur while the **Named Insured** has Management Control over an entity.

**System Failure** means an unintentional and unplanned interruption of **Computer Systems**.

**System Failure** will not include any interruption of computer systems resulting from (i) a **Security Breach**, or (ii) the interruption of any third party computer system.

**Telephone Fraud** means the act of a third party gaining access to and using the **Insured Organization's** telephone system in an unauthorized manner.

**Third Party Information** means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not insured under this Policy which is not available to the general public.

**Transfer Account** means an account maintained by the **Insured Organization** at a **Financial Institution** from which the **Insured Organization** can initiate the transfer, payment or delivery of **Money** or **Securities**.

**Unauthorized Access or Use** means the gaining of access to or use of **Computer Systems** by an unauthorized person(s) or the use of **Computer Systems** in an unauthorized manner.

**Unauthorized Disclosure** means the disclosure of (including disclosure resulting from phishing) or access to information in a manner that is not authorized by the **Insured Organization** and is without knowledge of, consent or acquiescence of any member of the **Control Group**.

**Waiting Period** means the period of time that begins upon the actual interruption of the **Insured Organization's** business operations caused by a **Security Breach**, **System Failure**, **Dependent Security Breach** or **Dependent System Failure**, and ends after the elapse of the number of hours listed as the **Waiting Period** in the Declarations.

## EXCLUSIONS

The coverage under this Policy will not apply to any **Loss** arising out of:

### **Bodily Injury or Property Damage**

1. physical injury, sickness, disease or death of any person, including any mental anguish or emotional distress resulting from such physical injury, sickness, disease or death; or
2. physical injury to or destruction of any tangible property, including the loss of use thereof; but electronic data will not be considered tangible property;

### **Trade Practices and Antitrust**

any actual or alleged false, deceptive or unfair trade practices, antitrust violation, restraint of trade, unfair competition (except as provided in the Media Liability insuring agreement), or false or deceptive or misleading advertising or violation of the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act; but this exclusion will not apply to:

1. the Breach Response insuring agreement; or
2. coverage for a **Data Breach** or **Security Breach**, provided no member of the **Control Group** participated or colluded in such **Data Breach** or **Security Breach**;

### **Gathering or Distribution of Information**

1. the unlawful collection or retention of **Personally Identifiable Information** or other personal information by or on behalf of the **Insured Organization**; but this exclusion

will not apply to **Claims Expenses** incurred in defending the **Insured** against allegations of unlawful collection of **Personally Identifiable Information**; or

2. the distribution of unsolicited email, text messages, direct mail, facsimiles or other communications, wire tapping, audio or video recording, or telemarketing, if such distribution, wire tapping, recording or telemarketing is done by or on behalf of the **Insured Organization**; but this exclusion will not apply to **Claims Expenses** incurred in defending the **Insured** against allegations of unlawful audio or video recording;

#### Prior Known Acts & Prior Noticed Claims

1. any act, error, omission, incident or event committed or occurring prior to the inception date of this Policy if any member of the **Control Group** on or before the **Continuity Date** knew or could have reasonably foreseen that such act, error or omission, incident or event might be expected to be the basis of a **Claim** or **Loss**;
2. any **Claim**, **Loss**, incident or circumstance for which notice has been provided under any prior policy of which this Policy is a renewal or replacement;

#### Racketeering, Benefit Plans, Employment Liability & Discrimination

1. any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act or RICO), as amended;
2. any actual or alleged acts, errors or omissions related to any of the **Insured Organization's** pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts;
3. any employer-employee relations, policies, practices, acts or omissions, or any actual or alleged refusal to employ any person, or misconduct with respect to employees; or
4. any actual or alleged discrimination;

but this exclusion will not apply to coverage under the Breach Response insuring agreement or parts 1., 2. or 3. of the Data & Network Liability insuring agreement that results from a **Data Breach**; provided no member of the **Control Group** participated or colluded in such **Data Breach**;

#### Sale or Ownership of Securities & Violation of Securities Laws

1. the ownership, sale or purchase of, or the offer to sell or purchase stock or other securities; or
2. an actual or alleged violation of a securities law or regulation;

#### Criminal, Intentional or Fraudulent Acts

any criminal, dishonest, fraudulent, or malicious act or omission, or intentional or knowing violation of the law, if committed by an **Insured**, or by others if the **Insured** colluded or participated in any such conduct or activity; but this exclusion will not apply to:

1. **Claims Expenses** incurred in defending any **Claim** alleging the foregoing until there is a final non-appealable adjudication establishing such conduct; or

2. with respect to a natural person **Insured**, if such **Insured** did not personally commit, participate in or know about any act, error, omission, incident or event giving rise to such **Claim** or **Loss**.

For purposes of this exclusion, only acts, errors, omissions or knowledge of a member of the **Control Group** will be imputed to the **Insured Organization**;

### Patent, Software Copyright, Misappropriation of Information

1. infringement, misuse or abuse of patent or patent rights;
2. infringement of copyright arising from or related to software code or software products other than infringement resulting from a theft or **Unauthorized Access or Use** of software code by a person who is not a past, present or future employee, director, officer, partner or independent contractor of the **Insured Organization**; or
3. use or misappropriation of any ideas, trade secrets or **Third Party Information** (i) by, or on behalf of, the **Insured Organization**, or (ii) by any other person or entity if such use or misappropriation is done with the knowledge, consent or acquiescence of a member of the **Control Group**;

### Governmental Actions

a **Claim** brought by or on behalf of any state, federal, local or foreign governmental entity, in such entity's regulatory or official capacity; but this exclusion will not apply to the Regulatory Defense & Penalties insuring agreement;

### Other Insureds & Related Enterprises

a **Claim** made by or on behalf of:

1. any **Insured**; but this exclusion will not apply to a **Claim** made by an individual that is not a member of the **Control Group** under the Data & Network Liability insuring agreement, or a **Claim** made by an **Additional Insured**; or
2. any business enterprise in which any **Insured** has greater than 15% ownership interest or made by any parent company or other entity which owns more than 15% of the **Named Insured**;

### Trading Losses, Loss of Money & Discounts

1. any trading losses, trading liabilities or change in value of accounts;
2. any loss, transfer or theft of monies, securities or tangible property of the **Insured** or others in the care, custody or control of the **Insured Organization**;
3. the monetary value of any transactions or electronic fund transfers by or on behalf of the **Insured** which is lost, diminished, or damaged during transfer from, into or between accounts; or
4. the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;

but this exclusion will not apply to coverage under the eCrime insuring agreement;

## Media-Related Exposures

with respect to the Media Liability insuring agreement:

1. any contractual liability or obligation; but this exclusion will not apply to a **Claim** for misappropriation of ideas under implied contract;
2. the actual or alleged obligation to make licensing fee or royalty payments;
3. any costs or expenses incurred or to be incurred by the **Insured** or others for the reprinting, reposting, recall, removal or disposal of any **Media Material** or any other information, content or media, including any media or products containing such **Media Material**, information, content or media;
4. any **Claim** brought by or on behalf of any intellectual property licensing bodies or organizations;
5. the actual or alleged inaccurate, inadequate or incomplete description of the price of goods, products or services, cost guarantees, cost representations, contract price estimates, or the failure of any goods or services to conform with any represented quality or performance;
6. any actual or alleged gambling, contest, lottery, promotional game or other game of chance; or
7. any **Claim** made by or on behalf of any independent contractor, joint venturer or venture partner arising out of or resulting from disputes over ownership of rights in **Media Material** or services provided by such independent contractor, joint venturer or venture partner;

## First Party Loss

with respect to the First Party Loss insuring agreements:

1. seizure, nationalization, confiscation, or destruction of property or data by order of any governmental or public authority;
2. costs or expenses incurred by the **Insured** to identify or remediate software program errors or vulnerabilities or update, replace, restore, assemble, reproduce, recollect or enhance data or **Computer Systems** to a level beyond that which existed prior to a **Security Breach, System Failure, Dependent Security Breach, Dependent System Failure or Extortion Threat**;
3. failure or malfunction of satellites or of power, utility, mechanical or telecommunications (including internet) infrastructure or services that are not under the **Insured Organization's** direct operational control; or
4. fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God or other physical event.

## LIMIT OF LIABILITY AND COVERAGE

### Limits of Liability

The Policy Aggregate Limit of Liability listed in the Declarations (the “**Policy Aggregate Limit of Liability**”) is the Underwriters’ combined total limit of liability for all **Loss**, other than **Breach Response Costs**, payable under this Policy.

The limit of liability payable under each insuring agreement will be an amount equal to the **Policy Aggregate Limit of Liability** unless another amount is listed in the Declarations. Such amount is the aggregate amount payable under this Policy pursuant to such insuring agreement and is part of, and not in addition to, the **Policy Aggregate Limit of Liability**.

All **Dependent Business Loss** payable under this Policy is part of and not in addition to the **Business Interruption Loss** limit listed in the Declarations.

The Underwriters will not be obligated to pay any **Damages, Penalties, PCI Fines, Expenses and Costs** or **Claims Expenses**, or to defend any **Claim**, after the **Policy Aggregate Limit of Liability** has been exhausted, or after deposit of the **Policy Aggregate Limit of Liability** in a court of competent jurisdiction.

### Breach Response Limits

Coverage for **Breach Response Services** under this Policy is in addition to the **Policy Aggregate Limit of Liability**.

The Notified Individuals limit listed in the Declarations is the maximum total number of individuals to whom notification, call center and credit or identity monitoring services will be provided (or attempted) for all incidents or series of related incidents giving rise to an obligation to provide **Breach Response Services**.

The Legal, Forensic & Public Relations/Crisis Management limit listed in the Declarations is the aggregate limit of coverage for all services and costs covered under parts 1., 2., 3. and 7. of the definition of **Breach Response Services**.

Except as provided in the Additional Breach Response Limits clause below, the Underwriters will not be obligated to provide any **Breach Response Services** after the number of individuals to whom services are provided under part 4. of the definition of **Breach Response Services** reaches the Notified Individuals limit listed in the Declarations. If the total number of individuals to be notified under the Policy exceeds the Notified Individuals limit listed in the Declarations, the **Insured** will be responsible for notifying and providing call center services and credit or identity monitoring services to such additional individuals in accordance with the processes described in the Information Packet.

### Additional Breach Response Limits

Notwithstanding the foregoing, if:

1. the total number of individuals to whom services described in parts 4., 5. and 6. of the definition of **Breach Response Services** are provided exceeds the amount listed in Notified Individuals limit listed in the Declarations; or
2. the dollar amount of the services described in parts 1., 2., 3. and 7. of the definition of **Breach Response Services** provided to the **Insured Organization** exceeds the Legal, Forensic & Public Relations/Crisis Management limit listed in the Declarations;

this Policy will cover the costs, fees and expenses incurred to provide such **Breach Response Services** up to an amount equal to the **Policy Aggregate Limit of Liability** (the "**Additional Breach Response Limit**").

The **Additional Breach Response Limit** is part of, and not in addition to, the **Policy Aggregate Limit of Liability** and will be reduced and may be exhausted by payments under either limit. Upon exhaustion of the **Additional Breach Response Limit**, there will be no further coverage under this Policy for any costs, fees or expenses covered thereunder.

## RETENTIONS

The Retention listed in the Declarations applies separately to each incident, event or related incidents or events giving rise to a **Claim** or **Loss**. The Retention will be satisfied by monetary payments by the **Named Insured** of covered **Loss** under each insuring agreement. If any **Loss** arising out of an incident or **Claim** is subject to more than one Retention, the Retention for each applicable insuring agreement will apply to such **Loss**, provided that the sum of such Retention amounts will not exceed the largest applicable Retention amount.

The Retention for **Breach Response Services** listed in the Declarations applies separately to each incident, event or related incidents or events, giving rise to legal, forensic and public relations/crisis management services and costs covered under parts 1., 2., 3. and 7. of the definition of **Breach Response Services**. The Retention will be satisfied by monetary payments by the **Named Insured** for such services and costs.

Coverage for **Business Interruption Loss** and **Dependent Business Loss** will apply after the **Waiting Period** has elapsed and the Underwriters will then indemnify the **Named Insured** for all **Business Interruption Loss** and **Dependent Business Loss** sustained during the **Period of Restoration** in excess of the Retention.

Satisfaction of the applicable Retention is a condition precedent to the payment of any **Loss** under this Policy, and the Underwriters will be liable only for the amounts in excess of such Retention.

## OPTIONAL EXTENSION PERIOD

Upon non-renewal or cancellation of this Policy for any reason except the non-payment of premium, the **Named Insured** will have the right to purchase, for additional premium in the amount of the Optional Extension Premium percentage listed in the Declarations of the full Policy Premium listed in the Declarations, an Optional Extension Period for the period of time listed in the Declarations. Coverage provided by such Optional Extension Period will only apply to **Claims** first made against any **Insured** during the Optional Extension Period and reported to the Underwriters during the Optional Extension Period, and arising out of any act, error or omission committed before the end of the **Policy Period**. In order for the **Named Insured** to invoke the Optional Extension Period option, the payment of the additional premium for the Optional Extension Period must be paid to the Underwriters within 60 days of the termination of this Policy.

The purchase of the Optional Extension Period will in no way increase the **Policy Aggregate Limit of Liability** or any sublimit of liability. At the commencement of the Optional Extension Period the entire premium will be deemed earned, and in the event the **Named Insured** terminates the Optional Extension Period for any reason prior to its natural expiration, the Underwriters will not be liable to return any premium paid for the Optional Extension Period.

All notices and premium payments with respect to the Optional Extension Period option will be directed to the Underwriters through entity listed for Administrative Notice in the Declarations.

## GENERAL CONDITIONS

### Notice of Claim or Loss

The **Insured** must notify the Underwriters of any **Claim** as soon as practicable, but in no event later than: (i) 60 days after the end of the **Policy Period**; or (ii) the end of the Optional Extension Period (if applicable). Notice must be provided through the contacts listed for Notice of Claim, Loss or Circumstance in the Declarations.

With respect to **Breach Response Services**, the **Insured** must notify the Underwriters of any actual or reasonably suspected **Data Breach** or **Security Breach** as soon as practicable after discovery by the **Insured**, but in no event later than 60 days after the end of the **Policy Period**. Notice must be provided to the **Breach Response Services Team** listed in the Declarations. Notice of an actual or reasonably suspected **Data Breach** or **Security Breach** in conformance with this paragraph will also constitute notice of a circumstance that could reasonably be the basis for a **Claim**.

With respect to **Cyber Extortion Loss**, the **Named Insured** must notify the Underwriters via the email address listed in the Notice of Claim, Loss or Circumstance in the Declarations as soon as practicable after discovery of an **Extortion Threat** but no later than 60 days after the end of the **Policy Period**. The **Named Insured** must obtain the Underwriters' consent prior to incurring **Cyber Extortion Loss**.

With respect to **Data Recovery Costs**, **Business Interruption Loss** and **Dependent Business Loss** the **Named Insured** must notify the Underwriters through the contacts for Notice of Claim, Loss or Circumstance in the Declarations as soon as practicable after discovery of the circumstance, incident or event giving rise to such loss. The **Named Insured** will provide the Underwriters a proof of **Data Recovery Costs**, **Business Interruption Loss** and **Dependent Business Loss**, and this Policy will cover the reasonable and necessary costs, not to exceed USD 50,000, that the **Named Insured** incurs to contract with a third party to prepare such proof. All loss described in this paragraph must be reported, and all proofs of loss must be provided, to the Underwriters no later than 6 months after the end of the **Policy Period**.

The **Named Insured** must notify the Underwriters of any loss covered under the eCrime insuring agreement as soon as practicable, but in no event later than 60 days after the end of the **Policy Period**. Notice must be provided through the contacts listed for **Notice of Claim, Loss or Circumstance** in the Declarations.

Any **Claim** arising out of a **Loss** that is covered under the Breach Response, First Party Loss or eCrime insuring agreements and that is reported to the Underwriters in conformance with the foregoing will be considered to have been made during the **Policy Period**.

### Notice of Circumstance

With respect to any circumstance that could reasonably be the basis for a **Claim** (other than a **Data Breach** or **Security Breach** noticed under the Breach Response insuring agreement) the **Insured** may give written notice of such circumstance to the Underwriters through the contacts listed for Notice of Claim, Loss or Circumstance in the Declarations as soon as practicable during the **Policy Period**. Such notice must include:

1. the specific details of the act, error, omission or event that could reasonably be the basis for a **Claim**;
2. the injury or damage which may result or has resulted from the circumstance; and
3. the facts by which the **Insured** first became aware of the act, error, omission or event.

Any subsequent **Claim** made against the **Insured** arising out of any circumstance reported to Underwriters in conformance with the foregoing will be considered to have been made at the time written notice complying with the above requirements was first given to the Underwriters during the **Policy Period**.

### Defense of Claims

Except with respect to coverage under the Payment Card Liabilities & Costs insuring agreement, the Underwriters have the right and duty to defend any covered **Claim** or **Regulatory Proceeding**. Defense counsel will be mutually agreed by the **Named Insured** and the Underwriters but, in the absence of such agreement, the Underwriters' decision will be final.

With respect to the Payment Card Liabilities & Costs insuring agreement, coverage will be provided on an indemnity basis and legal counsel will be mutually agreed by the **Named Insured** and the Underwriters and will be selected from one of the firms listed in the Information Packet.

The Underwriters will pay actual loss of salary and reasonable expenses resulting from the attendance by a corporate officer of the **Insured Organization** at any mediation meetings, arbitration proceedings, hearings, depositions, or trials relating to the defense of any **Claim**, subject to a maximum of \$2,000 per day and \$100,000 in the aggregate, which amounts will be part of and not in addition to the **Policy Aggregate Limit of Liability**.

### Settlement of Claims

If the **Insured** refuses to consent to any settlement recommended by the Underwriters and acceptable to the claimant, the Underwriters' liability for such **Claim** will not exceed:

1. the amount for which the **Claim** could have been settled, less the remaining Retention, plus the **Claims Expenses** incurred up to the time of such refusal; plus
2. sixty percent (60%) of any **Claims Expenses** incurred after the date such settlement or compromise was recommended to the **Insured** plus sixty percent (60%) of any **Damages, Penalties** and **PCI Fines, Expenses and Costs** above the amount for which the **Claim** could have been settled;

and the Underwriters will have the right to withdraw from the further defense of such **Claim**.

The **Insured** may settle any **Claim** where the **Damages, Penalties, PCI Fines, Expenses and Costs** and **Claims Expenses** do not exceed the Retention, provided that the entire **Claim** is resolved and the **Insured** obtains a full release on behalf of all **Insureds** from all claimants.

### Assistance and Cooperation

The Underwriters will have the right to make any investigation they deem necessary, and the **Insured** will cooperate with the Underwriters in all investigations, including investigations regarding coverage under this Policy and the information and materials provided to the underwriters in connection with the underwriting and issuance of this Policy. The **Insured** will

execute or cause to be executed all papers and render all assistance as is requested by the Underwriters. The **Insured** agrees not to take any action which in any way increases the Underwriters' exposure under this Policy. Expenses incurred by the **Insured** in assisting and cooperating with the Underwriters do not constitute **Claims Expenses** under the Policy.

The **Insured** will not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgment or award or dispose of any **Claim** without the written consent of the Underwriters, except as specifically provided in the Settlement of Claims clause above. Compliance with a **Breach Notice Law** will not be considered an admission of liability.

### Subrogation

If any payment is made under this Policy and there is available to the Underwriters any of the **Insured's** rights of recovery against any other party, then the Underwriters will maintain all such rights of recovery. The **Insured** will do whatever is reasonably necessary to secure such rights and will not do anything after an incident or event giving rise to a **Claim** or **Loss** to prejudice such rights. If the **Insured** has waived its right to subrogate against a third party through written agreement made before an incident or event giving rise to a **Claim** or **Loss** has occurred, then the Underwriters waive their rights to subrogation against such third party. Any recoveries will be applied first to subrogation expenses, second to **Loss** paid by the Underwriters, and lastly to the Retention. Any additional amounts recovered will be paid to the **Named Insured**.

### Other Insurance

The insurance under this Policy will apply in excess of any other valid and collectible insurance available to any **Insured** unless such other insurance is written only as specific excess insurance over this Policy.

### Action Against the Underwriters

No action will lie against the Underwriters or the Underwriters' representatives unless and until, as a condition precedent thereto, the **Insured** has fully complied with all provisions, terms and conditions of this Policy and the amount of the **Insured's** obligation to pay has been finally determined either by judgment or award against the **Insured** after trial, regulatory proceeding, arbitration or by written agreement of the **Insured**, the claimant, and the Underwriters.

No person or organization will have the right under this Policy to join the Underwriters as a party to an action or other proceeding against the **Insured** to determine the **Insured's** liability, nor will the Underwriters be impleaded by the **Insured** or the **Insured's** legal representative.

The **Insured's** bankruptcy or insolvency of the **Insured's** estate will not relieve the Underwriters of their obligations hereunder.

### Change of Law, Unavailability of Breach Response Services

If there is a change of law, regulation or enforcement that prevents the Underwriters or its providers from providing all or part of the **Breach Response Services**, or if a provider is unable to or does not provide **Breach Response Services**, the Underwriters will make reasonable efforts to procure similar services from other sources. In such event, the maximum the Underwriters will pay for the costs of procuring and providing all **Breach Response Services**, including substitute products and services, will be no more than USD 10,000,000 in the aggregate for the **Policy Period**, which amount will be in addition to the **Policy Aggregate**

**Limit of Liability.** If it is not reasonably possible for the Underwriters to procure substitute products or services, the Underwriters will not be obligated to provide such services.

### Entire Agreement

By acceptance of the Policy, all **Insureds** agree that this Policy embodies all agreements between the Underwriters and the **Insured** relating to this Policy. Notice to any agent, or knowledge possessed by any agent or by any other person, will not effect a waiver or a change in any part of this Policy or stop the Underwriters from asserting any right under the terms of this Policy; nor will the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy signed by the Underwriters.

### Mergers or Consolidations

If during the **Policy Period** the **Named Insured** consolidates or merges with or is acquired by another entity, or sells more than 50% of its assets to another entity, then this Policy will continue to remain in effect through the end of the **Policy Period**, but only with respect to events, acts or incidents that occur prior to such consolidation, merger or acquisition. There will be no coverage provided by this Policy for any other **Claim** or **Loss** unless the **Named Insured** provides written notice to the Underwriters prior to such consolidation, merger or acquisition, the **Named Insured** has agreed to any additional premium and terms of coverage required by the Underwriters and the Underwriters have issued an endorsement extending coverage under this Policy.

### Assignment

The interest hereunder of any **Insured** is not assignable. If the **Insured** dies or is adjudged incompetent, such insurance will cover the **Insured's** legal representative as if such representative were the **Insured**, in accordance with the terms and conditions of this Policy.

### Cancellation

This Policy may be canceled by the **Named Insured** by giving written notice to the Underwriters through the entity listed for Administrative Notice in the Declarations stating when the cancellation will be effective.

This Policy may be canceled by the Underwriters by mailing to the **Named Insured** at the address listed in the Declarations written notice stating when such cancellation will be effective. Such date of cancellation will not be less than 60 days (or 10 days for cancellation due to non-payment of premium) after the date of notice.

If this Policy is canceled in accordance with the paragraphs above, the earned premium will be computed pro rata; but the premium will be deemed fully earned if any **Claim**, or any circumstance that could reasonably be the basis for a **Claim** or **Loss**, is reported to the Underwriters on or before the date of cancellation. Payment or tender of unearned premium is not a condition of cancellation.

### Singular Form of a Word

Whenever the singular form of a word is used herein, the same will include the plural when required by context.

## Headings

The titles of paragraphs, clauses, provisions or endorsements of or to this Policy are intended solely for convenience and reference, and are not deemed in any way to limit or expand the provisions to which they relate and are not part of the Policy.

## Representation by the Insured

All **Insureds** agree that the statements contained the information and materials provided to the Underwriters in connection with the underwriting and issuance of this Policy are true, accurate and are not misleading, and that the Underwriters issued this Policy, and assume the risks hereunder, in reliance upon the truth thereof.

## Named Insured as Agent

The **Named Insured** will be considered the agent of all **Insureds**, and will act on behalf of all **Insureds** with respect to the giving of or receipt of all notices pertaining to this Policy, and the acceptance of any endorsements to this Policy. The **Named Insured** is responsible for the payment of all premiums and Retentions and for receiving any return premiums.

## PROPOSAL FORM FOR CYBER LIABILITY

1. Proposed Insurer **Beazley Insurance Company, Inc.**

2. Annual Premium: **\$ 16,950**

Coverages/Limits	Deductibles		
	\$10,000	\$25,000	\$50,000
Security/Privacy Data Breach \$5,000,000 Quoted \$10,000,000		Included Included	
Regulatory Media Liability Network/Cyber Extortion Crypto Jacking		Included Included Included Included	
Business Interruption Dependent Business Loss Data Recovery PCI		Included Included Included Included	

3. Data Breach Costs include:

- a. Notification Costs  Yes  No
- b. Monitoring Costs  Yes  No
- c. Investigation Costs  Yes  No
- d. Forensic Costs  Yes  No
- e. Legal Costs  Yes  No
- f. Public Relations Costs  Yes  No
- g. Voluntary Costs  Yes  No
- h. International Notification Costs  Yes  No
- i. Breach Response Services  Yes  No
- j. Post Breach Remedial Services  Yes  No

4. Please indicate if the following coverages are included and any additional premium:

- a. Duty to defend.  
 Yes  No Included Premium Please see exception page.
- b. Employee personal information and denial of access.  
 Yes  No Included Premium
- c. "Pay-on-behalf of".  
 Yes  No Included Premium
- d. Damage includes punitive, exemplary and multiple awards. When insurable by law  
 Yes  No Included Premium
- e. No exclusion for Contingent Bodily Injury.  
 Yes  No Included Premium
- f. Minimum \$500,000 for bricking.  
 Yes  No Included Premium

- g. Minimum \$1,000,000 for reputational loss, including \$50,000 claim preparation  
 Yes  No Included Premium
- h. Extended discovery has a bilateral trigger.  
 Yes  No Included Premium
- i. Denial of Access.  
 Yes  No Included Premium
- j. No time limitation for incurring response costs.  
 Yes  No Included Premium
- k. Data breach from EDP contractor  
 Yes  No Included Premium
- l. Notice of circumstance provision triggers claims made during the policy period.  
 Yes  No Included Premium
- m. If included, hammer Clause is 80%.  
 Yes  No Included Premium  
 If not, what is the percentage? 70%
- n. Cyber Terrorism included  
 Yes  No Included Premium
- o. Social Engineering, fraudulent instruction and transfer fraud, is included.  
 Yes  No Included Premium
- p. Telephone fraud included.  
 Yes  No Included Premium
- q. Independent contractors/volunteers included as insureds.  
 Yes  No Included Premium
- r. Cover allegations related to the Americans With Disabilities Act.  
 Yes  No Included Premium
- s. Coverage does not exclude HIPAA.  
 Yes  No Included Premium
- t. Definition of Security Breach includes voluntary shut down.  
 Yes  No Included Premium
- u. Limits quoted for legal, forensic and public relations/crises management are in addition to policy aggregate.  
 Yes  No Included Premium

5. Indicate retro date quoted. Full Prior Acts

6. Is there a continuity date?  Yes  No  
If yes, what is the date? 10/1/2019
7. Indicate extended reporting provisions:  
12 Months 100%  
24 Months \_\_\_\_\_  
36 Months \_\_\_\_\_
8. Is premium flat or auditable? Flat
9. Indicate premium payment mode (monthly, quarterly, etc.) Annual
10. Please attach copies of all policy forms and endorsements. Included
11. Indicate term of coverage. One Year  
If more than one year, are rates fixed?  Yes  No
12. Is coverage contingent on writing any other lines?  Yes  No  
If so, explain GL, AL, APD, POL, LEL, EBL, EPLI, XS WC and Excess Liability
- 
13. Are specimen policy forms and endorsements included?  Yes  No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/16/2020  
Date

## EXCEPTION FORM FOR CYBER LIABILITY

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions and/or additions to the specifications, by line of coverage. Failure to list the exceptions accurately could result in disqualification and rejection of your proposal.***

Except with respect to coverage under the Payment Card Liabilities & Costs insuring agreement, the Underwriters have the right and duty to defend any covered Claim or Regulatory Proceeding. Defense counsel will be mutually agreed by the Named Insured and the Underwriters but, in the absence of such agreement, the Underwriters' decision will be final.

All as per our response to the coverage questionnaire.

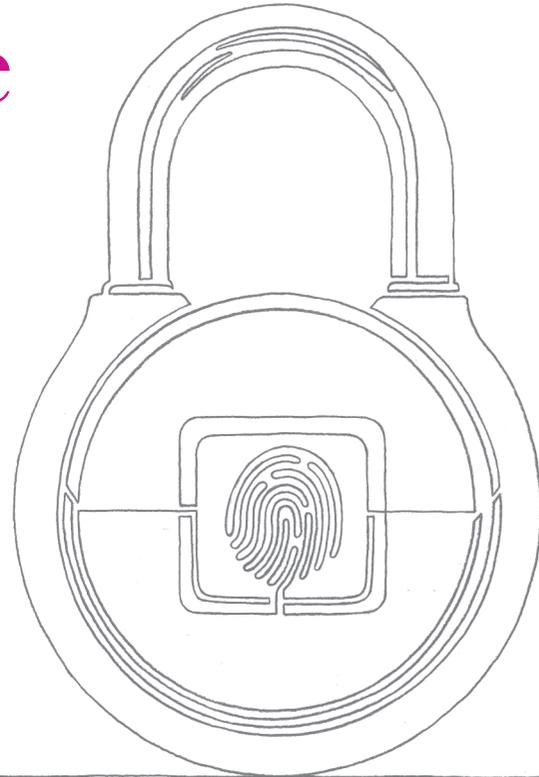
\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

# Beazley Breach Response

Beautifully designed cyber protection  
for a dangerous world.





### Sheer carelessness

With vast amounts of data storable on smaller and smaller devices, the risk of data breaches due to theft or sheer carelessness is huge. Between 2005 and 2018, portable devices carrying more than 185 million personally identifiable records were lost or stolen, according to the Privacy Rights Clearinghouse.

## *A world of risk*

1.4bn

Personal records breached since 2005.<sup>1</sup>

71%

The proportion of breaches attributable to malware or hacking since 2005.<sup>1</sup>

50bn

The estimated number of devices and processes that will be connected to the internet by 2020.<sup>2</sup>

66%

The percentage of malware attacks that were installed via a malicious email attachment.<sup>3</sup>

200,000

The number of computer systems worldwide impacted by the WannaCry malware.<sup>2</sup>

2 minutes

The time it takes for an IoT device to be compromised.<sup>4</sup>

### Sources

1. [www.privacyrights.org](http://www.privacyrights.org) as of December 31, 2018
2. Lloyd's June 2017 Report Closing the gap, Insuring your business against evolving cyber threats
3. 2017 Verizon Data Breach Investigations Report
4. Symantec 2017 Internet Security Threat Report



# Not if, but when.

Any business handling customer data will, sooner or later, be confronted with the challenge of a cyber breach. It's not a matter of "if" but "when".

Any business handling customer data will, sooner or later, be confronted with the challenge of a cyber breach. It's not a matter of "if" but "when".

In the last decade the cyber threat landscape has changed. While the loss or disclosure of personal or sensitive data used to be a company's primary concern in assessing its cyber risk, businesses are increasingly facing threats to their ability to conduct normal operations.

Malicious threats like zero-day malware, ransomware, spyware and scareware are on the rise, but businesses cannot ignore unintended disclosure and human error risks. Business interruption, cyber extortion, loss of critical operational data and electronic crime present cumulative risks that businesses must address.

Businesses must protect themselves on all fronts. With Beazley's 360° approach, companies have access to a comprehensive set of solutions created to protect their business from the dangerous world of cyber risks.

In addressing these risks, one insurance policy stands apart. BBR provides breach response services for up to five million persons along with coverage for payment card industry costs, regulatory defense and penalties, and first-party and crime coverage.

All BBR policyholders have access to pre-breach and risk management services and in the event of a cyber breach, BBR policyholders will work directly with Beazley's in-house breach response team, BBR Services, and Beazley's claim team to resolve the incident.

Our 360° approach to cyber risk makes BBR, quite simply, the world's best-designed cyber insurance solution.

## First-party and crime coverage

Our policy form is streamlined and comprehensive to cover your organization seamlessly in the event of a cyber breach.

The BBR policy includes:

- First-party coverage for cyber extortion;
- Data recovery costs;
- Business interruption resulting from security breaches and system failures;
- Contingent business interruption from incidents occurring at the policyholder's vendors and suppliers; and
- eCrime coverage.

In expanding our coverage, we have built on the unique policy design that has made Beazley a leader in cyber insurance since 2009. BBR offers more coverage per dollar of premium, through multiple towers of coverage that ensures the breach response costs covered under the policy do not erode your third-party limits.

## BBR Services – a dedicated team of experts

A cyber breach isn't always a disaster. Mishandling it is. Beazley is unique among insurers in having a dedicated business unit, BBR Services, that focuses exclusively on helping clients manage cyber incidents successfully.

BBR Services is a dedicated team of cyber breach professionals who assist BBR policyholders at every stage of incident investigation and breach response. They coordinate the carefully vetted forensics experts and specialized lawyers to help you establish what's been compromised; assess your responsibility; and notify those individuals affected. In addition, BBR Services coordinates credit or identity monitoring for your customers and offers PR advice to help you safeguard your reputation.

We also, of course, indemnify your losses from lawsuits or regulatory actions, the risk of which may be reduced by a well-coordinated breach response but can never be completely eliminated. Beazley's claims team has been at the forefront of defending clients in the developing and evolving legal arena of privacy class actions and regulatory investigations arising from cyber breaches.

Beazley invented this comprehensive approach. We do more of it than anybody else. To date we have helped thousands of clients manage breaches swiftly and successfully.

## Pre-breach and risk management

We recognize that preparing for and preventing breaches have become inseparable from insuring a cyber loss. Beazley offers a full suite of pre-breach breach and risk management services through our in-house BBR Services team and Lodestone Security.

BBR Services provides a full range of resources to help mitigate risks before an incident occurs. On our Beazley owned and managed risk management portal, [beazleybreachsolutions.com](http://beazleybreachsolutions.com), you will find resources for incident response planning, employee training, compliance, and security best practices. Newsletters and live expert webinars educate you about the latest threats, preventive steps, and regulatory developments. BBR Services also coordinates a variety of pre-breach services such as onboarding calls, incident response plan reviews and on-site workshops, so you can improve the robustness of your cybersecurity.

With the increasing need for pre-breach and cyber-security services, Beazley has established Lodestone Security LLC to offer both strategic and tactical services and expertise to enhance the cyber defenses of small and mid-sized firms, because you shouldn't have to be a Fortune 500 company to afford rigorous cybersecurity. Smaller organizations are targeted as frequently as major corporations, but often lack access to the internal expertise and resources that large businesses can draw upon.

BBR policyholders will have access to services from Lodestone Security at negotiated rates.



Beazley Breach Response is unique in offering a comprehensive services-based solution to cyber breaches.

**Coverage includes:**

**Breach response**

- Legal services
- Computer forensic services
- Notification services for up to five million affected individuals
- Call center services
- Credit monitoring, identity monitoring or other personal fraud or loss prevention solutions
- Public relations and crisis management expenses
- All of the policy's multiple limits will be available for breach response.

**First-party**

- Business interruption loss from security breach or system failure
- Dependent business interruption loss from security breach or system failure
- Cyber extortion loss
- Data recovery loss
- Data and network liability.

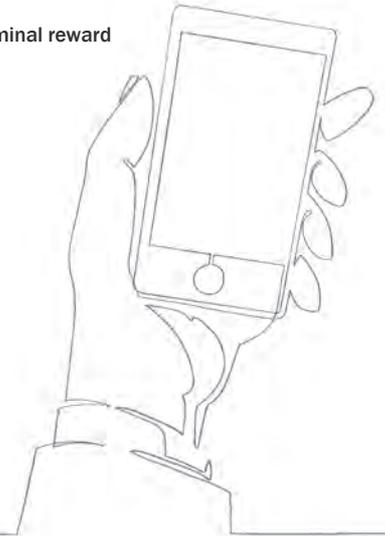
**Third-party**

- Third-party information security and privacy coverage up to \$15 million
- Full media liability
- Regulatory defense and penalties
- Payment card liability and costs.

**eCrime**

- Fraudulent instruction
- Funds transfer
- Telephone fraud.

**Criminal reward**



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[twitter.com/breachsolutions](https://twitter.com/breachsolutions)

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Lodestone is a wholly owned subsidiary of Beazley plc and does not provide insurance services. Beazley does not share insured-specific information with Lodestone. Information you provide to Lodestone and any engagement findings are shared only between your organization and Lodestone.

BZCER001\_US\_01/19

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beazley

beautifully  
designed  
insurance

# Beazley Breach Response – Enhancements

We at Beazley are delighted to inform you of a number of improvements we have made to our market leading Beazley Breach Response policy (BBR).

As the cyber threat landscape continues to grow and evolve, we continue to improve our BBR policy form to offer unparalleled coverage and comprehensive solutions to the broad range of threats that your organization faces. Threats to companies' assets and their very ability to conduct business are at an all time high.

The new BBR policy now includes our most comprehensive coverage and has also been streamlined to provide clear and concise wording, first party coverage for cyber extortion, data recovery costs, business interruption resulting from security breaches and system failures, business interruption resulting from security breaches and system failures occurring at companies with which your company does business, and eCrime coverage for fraudulent instruction fraud, funds transfer fraud and telephone fraud.

In addition, all of BBR's policy limits are now available for breach response and those combined limits provide coverage well beyond that which commonly available in today's marketplace. Broad coverage, larger limits and access to Beazley's in-house breach response team, BBR Services, make BBR the most comprehensive cyber insurance solution.

## Policy Insuring Agreements (\* denotes a new insuring agreement)

<b>Breach Response</b>	In the event of an actual or suspected data breach or network security breach, the new BBR policy will continue to provide broad coverage for legal and forensic services, notification services, call center services, credit monitoring, identity monitoring or other personal fraud or loss prevention solutions, and public relations and crisis management costs.
<b>Business Interruption Loss*</b>	Includes coverage for interruption of the insured's business resulting from a network security breach or system failure of the insured's computer systems.
<b>Dependent Business Interruption Loss*</b>	Includes coverage for interruption of the insured's business resulting from a network security breach or system failure of third parties' computer systems.
<b>Cyber Extortion Loss*</b>	Coverage for provision of money, digital currency, goods or services in order to end or prevent an extortion threat.
<b>Data Recovery Costs*</b>	Broad coverage for the insured to regain access to, replace, or restore its compromised data.
<b>Data &amp; Network Liability</b>	Broad coverage for liability resulting from a data breach, network security breach or violation of a privacy policy.
<b>Regulatory Defense &amp; Penalties</b>	Cover for costs and civil penalties resulting from proceedings or inquiries brought by any governmental entity.
<b>Payment Card Liability &amp; Costs</b>	Coverage for amounts owed under a merchant service agreement to financial institutions, card brands or card processors following a data breach.
<b>Full Media Liability*</b>	Both online and offline media activities are now included as standard in the policy and coverage has been expanded to include additional media perils including unfair competition.
<b>eCrime*</b>	Coverage for the insured's financial losses that result from (i) fraudulent instructions directing the insured's personnel to transfer money or securities to third parties, (ii) fraudulent instructions directing the insured's financial institutions to transfer money or securities from the insured's accounts, and (iii) telephone fraud.
<b>Criminal Rewards*</b>	Covers rewards offered for the arrest and conviction of individuals who commit illegal acts related to coverage under the policy.

# Beazley Breach Response – Enhancements

In addition to the expanded coverage described on page 1, BBR now also includes:

## Additional Key Enhancements

### Breach response

Additional Limits for Breach Response	All of the policy's multiple limits will be available for breach response which, together with access to assistance of Beazley's dedicated BBR Services team, offers insureds an unprecedented level of coverage and expertise. These extra limits are beyond what other policies provide and along with access to Beazley's dedicate Breach Response Services team, help make BBR stand out. <i>(see Additional Breach Response Limits section)</i>
Removal of all Breach Response Sublimits	Sublimits no longer apply to any covered breach response services. <i>(see Breach Response Services definition)</i>
Notification of Governmental Authorities	Expanded definition of Breach Notice Law now includes any statute or regulation that requires notice to governmental authorities; and covered breach response services include legal advice on how to notify authorities. <i>(see Breach Notice Law definition)</i>
Education and Loss Prevention Tools	All BBR insureds have access to beazleybreachsolutions.com and to educational materials and webinars, cyber security threat intelligence, incident response planning tools, best security practices, and offers from third party service providers. <i>(see Breach Response Services definition)</i>

### Business interruption loss

Network Security Breach of Computer Systems	Coverage for business interruption resulting from a security breach of the insured organization's computer systems. <i>(see Business Interruption Loss Insuring Agreement and Security Breach definition)</i>
System Failure of Computer Systems	Coverage for business interruption resulting from an unintentional and unplanned interruption of the insured organization's computer systems. <i>(see Business Interruption Loss Insuring Agreement and System Failure definition)</i>
Proof of Loss Preparation Costs	Includes coverage for costs paid to a third party to help prepare a proof of Business Interruption Loss, Dependent Business Loss and Data Recovery Costs. <i>(see Notice of Claim or Loss section)</i>
Coverage for Business Interruption Loss Incurred During and After the Waiting Period	The period of restoration during which business interruption loss (and dependent business loss) begins at the time of an interruption and continues for 180 days. Upon elapse of the waiting period, coverage for business interruption loss begins once the retention is satisfied. <i>(see Business Interruption Loss Insuring Agreement; Business Interruption Loss and Period of Restoration definitions)</i>

### Dependent business interruption loss

Network Security Breach of Third Party Product and Service Providers	Coverage for business interruption resulting from a breach of computer systems operated by a third party provider of products or services to the insured organization. <i>(see Dependent Security Breach definition)</i>
System Failure of Third Party Product and Service Provider Computer Systems	Coverage for business interruption resulting from an unintentional and unplanned interruption of computer systems operated by a third party provider of products or services to the insured organization. <i>(see Dependent System Failure definition)</i>
Coverage for Business Interruption Loss Incurred During and After the Waiting Period	The period of restoration during which business interruption loss (and dependent business loss) begins at the time of an interruption and continues for 180 days. Upon elapse of the waiting period, coverage for business interruption loss begins once the retention is satisfied. <i>(see Dependent Business Interruption Loss Insuring Agreement; Dependent Business Loss and Period of Restoration definitions)</i>

# Beazley Breach Response – Enhancements

## Additional Key Enhancements continued

### Cyber extortion

Bitcoin and Other Digital Currency to be Paid to Prevent or Terminate an Extortion Threat	Policy allows for use of alternative and emerging digital currencies in making cyber extortion payments. (see <a href="#">Digital Currency definition</a> )
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### Liability

Defense of Unlawful Collection or Unlawful Audio or Video Recording	Policy allows coverage for defense of claims alleging unlawful collection of personally identifiable information or unlawful audio or video recording. (see <a href="#">Gathering or Distribution of Information exclusion</a> )
Liability Coverage for Prejudgment and Post-judgment Interest	Damages now includes prejudgment and post-judgment interest. (see <a href="#">Damages definition</a> )
Simplified and Narrowed Contractual Liability Exclusion	Contractual liability exclusion is greatly simplified and its applicability is now limited to only the Media Liability insuring agreement. (see <a href="#">Media-Related Exposures exclusion</a> )

### General conditions

Single Highest Retention	If multiple retentions apply, the sum of all applicable retentions will not exceed the amount of the highest applicable retention. (see <a href="#">Retentions section</a> )
Automatic 60 Day Post-policy Period Reporting of Claims or Loss	Claims made or incidents discovered during any time of the policy period may be reported at any time during the policy period or up to 60 days thereafter. Cyber extortion loss and eCrime loss may also be reported up to 60 days following the end of the policy period. (see <a href="#">Notice of Claim or Loss section</a> )
Full Prior Acts Coverage	A retroactive date no longer applies to any part of the policy.
Expanded Definition of Insured	Expanded definition of Insured now includes additional insureds, individual contractors, and leased or seasonal employees and volunteers. (see <a href="#">Insured definition</a> )
Education and Loss Prevention Tools	All BBR insureds have access to beazleybreachsolutions.com and to educational materials and webinars, cyber security threat intelligence, incident response planning tools, best security practices, and offers from third party service providers. (see <a href="#">Breach Response Services definition</a> )
Additional Flexibility in Deciding Whether to Settle Claims	If the insured chooses not to settle a covered claim after settlement has been recommended, the policy now covers the entire amount for which the claim could have been settled, plus 60% of any claims expenses, damages, penalties or PCI fines, expenses and costs incurred in excess of that amount. (see <a href="#">Settlement of Claims section</a> )

Please note that this document provides a summary of enhancements included in BBR. It does not contain the full terms and conditions of the insurance, which can be found in the policy wording.

This summary does not form part of the contract of insurance. If you have any questions, please contact your underwriter.

# Lodestone

SECURITY

## AT-A-GLANCE



**We'll identify the most appropriate solution with our clients and guide them every step of the way**

## Empowering Organizations to Protect their Customers and Sensitive Data with Proven Cybersecurity Strategies

**Organizations face security challenges with constantly evolving threats. Lodestone provides comprehensive security services to eliminate security gaps, reduce the risk of attacks and respond effectively to intrusions.**

Lodestone Security was founded to help organizations establish, manage and monitor a cybersecurity risk management program tailored to their specific business needs. Today, the risk of an attack to small and mid-size companies has risen significantly in large part because these organizations have not had the internal resources to manage their own viable defense. In addition, because of their size and budget have been underserved by the IT Security consultant industry.

Incident response, security posture and compliance are issues that face every organization; however, most companies find it intimidating and cost prohibitive to handle these challenges in-house.

Lodestone guides our clients through each step of the cyberdefense improvement process to enhance their security capabilities. We help them to better understand the cybersecurity threat landscape while identifying and establishing a cost-effective defense posture.

Further, we partner with our clients to implement leading-edge, proven defensive measures and leverage our elite industry experts to handle security incidents in the event they occur.

### Our People are the Key

The primary reason that clients choose Lodestone cybersecurity consultants is because of their level of expertise and customer-focus. Understanding where an organization's cyber defense capability is today and where it needs to be in order to eliminate vulnerabilities and keep their customers and assets safe demands experienced specialists.

The Lodestone advantage is our comprehensive understanding of your industry as well as your business needs and the specific regulatory requirements facing your organization.

At Lodestone, our consultants are problem solvers who translate technology needs and your business requirements into informed and intelligent solutions.

### Providing Cost Effective Security Solutions

Lodestone specializes in customized solutions for the healthcare, financial services, manufacturing, retail and education sectors with a focus on small to mid-size organizations.

Through years of experience we understand the challenges facing organizations like yours. Our specialists guide clients through a cost effective approach to the critical elements of improving their defense posture including:

- Protecting the critical assets in the organization
- Balancing business needs with security needs
- Identifying the threats to your organization
- Meeting regulatory requirements

## Protecting our Customers with Industry Leading Process

Aligning Business Needs with Cyber Defense is Effective Risk Management



### The Lodestone Promise

Our professionals, processes, IT security experience and our dedication to keeping our clients and their customers safe is the foundation of our organization. Our promise is to provide you the best, most cost-effective solution for your needs.

**We can make this promise because:**

**The SMB market is our primary focus** and we understand its unique challenges

**Our people processes, and technology** are leading-edge in the cybersecurity industry and are the critical elements in successfully protecting our clients

**Risk management is critical** and we work to understand our client's businesses and deliver a solution on their terms.

**We tailor every solution** based on risk and business needs. Every solution is integrated with your current IT processes.

**Insight into threat intelligence** Through our partnership with Beazley, our clients benefit from the insights from thousands of incidents and strategic intelligence analyzed from the latest attacker activity.

**Our professionals implement proven, repeatable processes** and provide on-going expertise and consultation to provide a viable solution.

### Our Services, Your Benefits

At Lodestone, cybersecurity is our only business, so your protection is our single focus. We understand that you have a business to operate and need a partner to protect you and your customers from cyber-attacks. Our services are created to improve your security posture by implementing the right solution for your organization.

#### STRATEGIC SERVICES

IT security has moved to the boardroom and effective risk and compliance management are critical issues. Lodestone consultants invest in addressing the business and technical needs of senior management and board members by providing security strategy development, advisory services and education.

#### SECURITY POSTURE ASSESSMENTS

Lodestone consultants conduct thorough reviews of the technical infrastructure to determine how well you are protected from threats and how well you are meeting your organization's regulatory requirements. Vulnerabilities are unique to every organization and in the SMB market we have taken on the challenge of becoming experts, so our clients don't have to be.

#### INCIDENT RESPONSE

Immediately, in the event of breach or incident, we investigate to determine scope, extent and impact. Our IR experts help prevent further damage and assess existing incident response capabilities to build more effective capabilities.



**Empowering organizations by providing security expertise, cost effective risk management and holistic solutions**

# Post-Breach Services

Beazley recognizes the need for post-breach consultation and remediation services after your systems have been breached.

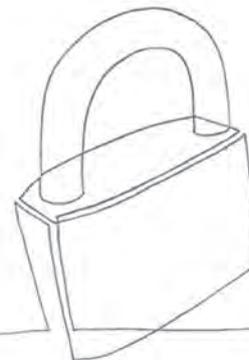
Any business will sooner or later be confronted with the challenge of a cyber breach. Proper prevention is important to protect your organization from future threats. In addition to the pre-breach and risk management services provided to our insureds, Beazley offers Beazley Breach Response (BBR) policyholders post-breach consultation and remediation services by endorsement.

For incidents in which the insured's computer systems are compromised, Beazley's post-breach remedial services endorsement includes up to 100 hours per Policy Period of targeted post-breach computer security consultation and remedial services from Lodestone Security, or an alternative vendor selected by Beazley in the event one is needed. These services will address computer network and system issues and vulnerabilities identified by approved forensic service providers in response to a breach.

This offering is available in addition to existing policy limits. Coverage does not include the cost to purchase or upgrade hardware or software.

Lodestone is a wholly owned subsidiary of Beazley plc that was created to provide cybersecurity consulting services tailored to the small and mid-sized business (SMB) market, because you shouldn't have to be a Fortune 500 company to afford rigorous cybersecurity.

If an insured triggers forensic services in connection with Breach Response Services under its policy, and the incident involves the actual unauthorized access or use of the organization's computer systems, it should contact BBR Services, [bbr.claims@beazley.com](mailto:bbr.claims@beazley.com). An insured must request these services within 60 days following the determination of the data or security breach. Its BBR Services manager will coordinate an introductory call with Lodestone Security.



## Services available\*

### External Vulnerability Posture Improvement

- Combining automated scanning with manual assessment techniques to evaluate the security of internet-exposed network devices and servers – a common point of entry for attackers including VPN and Remote access systems.

Activities include: host discovery, host enumeration, scanning for network and basic web application vulnerabilities, and manual verification of results.

### Insider Threat Posture Improvement

- Working from inside your network, conducting an internal vulnerability assessment and recommending improvements to the security of network devices and servers including network architecture, firewall, host configuration, application servers, and databases.

### Vulnerability Management Program Improvement

- Assessing a client's existing vulnerability management program and making recommendations for establishing appropriate people, process, and technology resources.

### Security Awareness Program Improvement (Social Engineering/Phishing)

- Many breaches are the result of weak passwords or social engineering vulnerabilities such as conveying sensitive information by telephone, complying with phishing email instructions, or using USB devices infected with malware.

Helping create security awareness and training to educate end-users on the threats from common activities they perform.

### Wireless Security Posture Improvement

- Reviewing wireless networks for exposure and vulnerability and making recommendations to enhance the wireless security posture. For example, determining how far the wireless signal propagates, whether rogue access points exist, if secure encryption is in use and if appropriate authentication mechanisms are in place.

### Application Security Posture Improvement

- Reviewing of the security of the client's target applications, assessing the infrastructure, configuration, input handling, application logic, and security controls in place. This review is performed against applications built in-house by the client, as well as current or potential third-party vendor services and applications. Looking for vulnerabilities that could give an attacker access to the data the application protects, or the system it is hosted on. Lodestone's collective experience covers a wide variety of environments, including web apps & services, Android & iOS apps, Binary applications, through Embedded and Internet of Things (IoT).

### Application Security Program Improvement

- Evaluating the maturity of the existing application SDLC and working with your organization to determine the target state using an industry-standard security program

maturity model. This includes security practices within Governance, Construction, Verification, and Deployment of your Application Development program. Developing an executive roadmap, CISO roadmap, and Project roadmap.

### Incident Response Program Improvement

- Reviewing current organization, documentation, methodology, and technical capabilities to determine strengths, weaknesses, and steps required to improve the organization's ability to respond to computer security incidents. Designing, developing or refining governance, skills, process and technology an organization uses to respond to computer security incidents with the goal of improving your organization's incident response practices.

### Policy, Procedure and Standards Improvement

- Evaluating and making recommendations to improve the effectiveness of existing policies and/or develop enhanced security policies with established security guidelines. Applying best practices consistent with standards; such as Payment Card Industry Data Security Standard (PCI-DSS), Health Insurance Portability and Accountability Act (HIPAA), Gramm-Leach-Bliley (GLB), National Institute of Standards and Technology (NIST) and International Organization for Standardization (ISO) 27001/27002.

\*Services are optional



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# Risk Management

Beazley’s in-house team of privacy and breach response professionals, BBR Services, has developed a suite of tools and resources to protect your business from the dangerous world of cyber risks.

With our in-house risk management portal, [beazleybreachsolutions.com](http://beazleybreachsolutions.com), you have access to tools and resources that help you prepare for and respond to the threats we see every day. Colleagues in any role – risk, compliance, IT, legal, or HR – may register.

## Increase your resiliency

- Clear, practical guidance on effective incident response and business continuity planning, with easy-to-adapt templates
- Practical discussion of fundamental IT security controls, and best practices for specific threats like ransomware and business email compromise
- Beazley Privacy Builder, a toolkit to develop and improve your data privacy and security program.

## Understand the threat landscape

- Live Cybercrime Spotlight webinars on emerging cyber threats and the most effective controls to prevent them
- Leveraging the hundreds of incidents reported to Beazley every month, our breach trends and security alerts give you the information you need to avoid the latest threats.

## Train your employees

Employees are still one of the biggest risks. With your policy, you have access to:

- [elearning.beazleybreachsolutions.com](http://elearning.beazleybreachsolutions.com)
- Online training modules include:
- Phishing and malware
  - Ransomware prevention
  - Mobile and Wi-Fi security
  - Identity theft and password security

- A SCORM-compliant training module for your LMS
- Employee training tip sheets and posters.

## Comply with laws and regulations

- Comprehensive explanations of state breach notification laws and other laws protecting data
- Sample policies for organizations of all sizes, including a full suite of HIPAA policies for covered entities
- Live webinars on legal and regulatory changes and the latest enforcement trends from regulators.



## Preventing Office 365 account takeovers

When we saw Office 365 account takeovers spike in early 2018, we quickly alerted policyholders, providing best practices for more secure Office 365 configuration, logging and email auditing, and employee training resources to avoid business email compromise.

## 360° protection

Beazleybreachsolutions.com is also your gateway to pre-breach, incident response, and post-breach services.

- Consult with our risk management team or breach response managers
- Request customized workshops on incident response, security best practices, or business continuity planning
- Enjoy negotiated rates on customized pre-breach services such as penetration testing and vulnerability assessment, or obtain post-breach remediation consulting from Lodestone Security
- Take advantage of discounted rates on anti-phishing tools and training.

“We just put in place our first cyber-insurance policy two months ago. Having already participated in two webinars (including today’s), and after exploring the resources available on your website, the insurance coverage itself seems beside the point. The speakers have been really excellent, and the materials on the website more comprehensive, and genuinely useful, than I would have expected.”

Client-focused advocacy non-profit, Los Angeles, CA

“We initiated two-factor authentication for Outlook shortly after learning about it in a Beazley risk management webinar. When our Finance team was targeted by a phishing scam, two-factor authentication and increased employee awareness kept our CFO from clicking on it, and our company and our customers safe.”

Medical equipment manufacturer, Atlanta, GA



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**Safety National Casualty Corporation**  
**1832 Schuetz Road**  
**St. Louis, MO 63146**

PHONE # (314) 995-5300

FAX # (314) 995-3843

TO:	USI Southwest, Inc.	ATTN:	Mr. Robert Bookhammer
PHONE:		FAX:	(855) 605-8264
FROM:	Jim Thomas	DATE:	07/27/2020

**EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION**

Name of Risk: <b>WEBB COUNTY</b>	
Account: 6004513 Previous Policy Number: SP 4061427	
	Specific Excess Only

Contract Terms	Option 7509863111	Option 8038468480
Liability Period	10/01/2020 - 10/01/2021	10/01/2020 - 10/01/2021
Payroll Reporting Period	10/01/2020 - 10/01/2021	10/01/2020 - 10/01/2021
Payroll	\$ 74,882,023	\$ 74,882,023
Manual Premium	\$ 501,715	\$ 501,715
Experience Modification Factor	1.000	1.000
Standard Premium	\$ 501,715	\$ 501,715
Self-Insured Retention	Police/Firefighters	Police/Firefighters
	\$ 600,000	\$ 750,000
	Aircraft Per Employee	Aircraft Per Employee
	\$ 600,000	\$ 750,000
	All Other	All Other
	\$ 500,000	\$ 500,000
Specific Limit	Statutory	Statutory
Employers Liability Limit	Per Occ & Agg \$ 2,000,000 / \$ 2,000,000	Per Occ & Agg \$ 2,000,000 / \$ 2,000,000
Premium Rate	Rate \$100 Payroll \$ 0.1732	Rate \$100 Payroll \$ 0.1819
Deposit Premium	\$ 129,696	\$ 136,210
Minimum Premium	\$ 129,696	\$ 136,210
Commission	Adjustable 15.00 %	Adjustable 15.00 %
Pay Plan	ANNUAL PAYMENT	ANNUAL PAYMENT
Audit Type	Voluntary	Voluntary

\*Quote expires 1 day after Payroll Reporting Period effective date for each Quote Option.

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FROM:	Jim Thomas	DATE:	07/27/2020

**EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION**

**Endorsements:**

**General Endorsements applicable to all quote options:**

0291 00 0708 (XWC) VOLUNTARY COMPENSATION ENDORSEMENT-PREMIUM DELINEATION  
0293 00 0906 (XWC) FOREIGN VOLUNTARY WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY  
0322 00 1291 (XWC) 90-DAYS NOTICE OF CANCELLATION  
0556 00 0495 (XWC) SELF-INSURED RETENTION PER OCCURRENCE  
1061 15 0519 (XWC) POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE  
0288 00 0908 (XWC) EMPLOYERS' LIABILITY PER OCCURRENCE & AGGREGATE MAXIMUM LIMITS OF LIABILITY  
0467 02 1105 (XWC) EMPLOYERS' LIABILITY MAXIMUM LIMIT AND AGGREGATE MAXIMUM LIMIT OF INDEMNITY  
0516 00 0596 (XWC) SELF-INSURED RETENTION PER OCCURRENCE AIRCRAFT - PER EMPLOYEE  
0556 02 0108 (XWC) SELF-INSURED RETENTION PER OCCURRENCE  
0557 00 1092 (XWC) SELF-INSURED RETENTION PER OCCURRENCE - POLICE OFFICERS & DRIVERS  
1061 15 0519 (XWC) POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE  
TEXAS MANDATORY ENDORSEMENT(S), IF APPLICABLE

**Contingencies:**

**The quote is subject to the following:**

1. Terms are subject to receipt & review of updated loss information valued within 90 days of the October 1, 2020 effective date. Losses should be valued as of 07/01/2020 or later.
2. **Please note:**  
  
**Quote Option 7509863111**--- requires the Casualty lines quote presented by Safety National must also be bound in order to bind this option.  
  
**Quote Option 8038468480** --- with the higher premium and SIR will stand alone, and does not require Safety National must to bind the casualty lines.
3. Please confirm insured's exposure to transporting or shuttling employees to and from job site/work site. The application indicated the insured has this exposure but we have no details. Please describe the exposure including average # of employees being transported, how many miles and how often.

**Comments:**

1. Endorsements mandated by the coverage state(s) will automatically be added to your policy regardless of whether they are shown in the above schedule. In addition, a change in an endorsement form number may occur as a result of state filing requirements/updates arising subsequent to this quote.

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PHONE:		FAX:	(855) 605-8264
FROM:	Jim Thomas	DATE:	07/27/2020

**EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION**

2. Included in our quote: MAP Client Services. These resources consist of both risk control and claim services, including resources like Safety Essentials Online, Workers' Comp Kit, and Safety Training Source. Medical Management Program. These services help facilitate complicated claims towards the best-possible outcome. Available services include Catastrophic Claims Consulting, Impartial Medical Review, Long-Term Claims Evaluation, and Chronic Pain & Opioid Dependency Programs.
3. Commission shall be fully earned by the Broker of Record at the inception of the Payroll Reporting Period as identified on the bound Excess Workers Compensation Insurance Quotation.
4. This Agreement will include coverage for Workers' Compensation loss caused by acts of terrorism as defined in the Agreement. Coverage for such losses will still be subject to all terms, definitions, exclusions, and conditions in the Agreement, & any applicable federal and/or state laws, rules, or regulations. Be advised that, under the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization of 2015 (collectively, the Act), terrorism losses would be partially reimbursed by the U.S. Government under a formula established by the Act. Under this formula, the U.S. Government would generally reimburse 80% to 85% of covered terrorism losses exceeding a deductible paid by us. The Act contains \$100 billion cap that limits the reimbursement from the U.S. Government as well as from all insurers. If aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.  
The portion of the EMPLOYER's annual premium attributable to coverage for losses caused by a certified act of terrorism is: 0.5%



## Your Service Team

Safety National is committed to providing industry-leading services to our policyholders. The Service Team is the keystone to that promise. This highly experienced team is identified now and established early in the policy term so there is a seamless transition and efficient delivery of service for your client's needs. The Service Team consists of a one point contact in underwriting, claims, risk control, policy services, audit, legal, and finance.

We welcome the opportunity for you to experience our commitment to your success by contacting any member of our team with your questions or requests.

Jim Thomas Underwriter	(470) 266-2143	jim.thomas@safetynational.com
Sonya Hudson Coordinator - Underwriting - Stand Alone Operations	(314) 810-5452	Sonya.Hudson@safetynational.com
Don Enke Risk Control	(314) 810-5427	don.enke@safetynational.com
Joanna Pallardy MAP Client Services	(314) 692-9507	joanna.pallardy@safetynational.com
Mike Harris VP Claims	(314) 692-9516	michael.harris@safetynational.com
Shelly Stuck Premium Audit	(314) 692-1370	shelly.stuck@safetynational.com

# CRISIS PROTECTION WORKERS' COMPENSATION



**S**afety National Crisis Protection® is a crisis management and extraction benefit provided exclusively for Safety National's excess, large deductible and select guaranteed cost workers' compensation customers. If your business undergoes a qualifying "Domestic Crisis Event" that directly involves your business and involves the death of two or more of your employees, Safety National® will either pay one of our approved vendors to assist with crisis management or reimburse you directly for the approved costs incurred with a vendor of your choice. If you experience a qualifying "International Extraction Crisis Event" that requires international employee extraction, we will reimburse you directly for the approved costs.

## How Does It Work?

If a qualifying "Domestic Crisis Event" or "International Extraction Crisis Event" occurs, Safety National Crisis Protection will help you minimize post-crisis risk to the organization, its stakeholders and employees directly involved in the event (including immediate family of the involved employee). The annual, aggregate limit for these complimentary benefits, or any combination of the two, is \$50,000. These benefits are accessible when you need them and are provided by Safety National free of charge.

## "Domestic Crisis Events" Include:

Multiple employee deaths (two or more) resulting from the following man-made events:

- Explosion
- Arson
- Bombing
- Workplace Violence
- Structural Fire
- Vehicular Accident

Multiple employee deaths (two or more) resulting from the following natural disasters:

- Tornado
- Explosion
- Wildfire
- Structural Fire
- Earthquake and Any Resulting Tsunami Hurricane
- Flood

## "International Extraction Crisis Events" Include:

Employee extraction necessitated by the following:

### MAN-MADE EVENTS:

- Explosion
- Arson
- Bombing
- Riot
- Government Collapse & Political Unrest

### NATURAL DISASTERS:

- Tornado
- Explosion
- Wildfire
- Earthquake and Any Resulting Tsunami
- Cyclone/Typhoon/Hurricane
- Flood

## LEARN MORE

For more information about Safety National Crisis Protection, please visit [safetynational.com/crisis\\_protection](http://safetynational.com/crisis_protection). If you have additional questions about this free benefit, please contact us at [crisisprotection@safetynational.com](mailto:crisisprotection@safetynational.com).

## Benefits:

- Provided at no cost to policyholders, with a \$50,000 annual, aggregate benefit limit for a qualifying "Domestic Crisis Event," a qualifying "International Extraction Crisis Event" or any combination of the two.
- A 24-hour crisis hotline to preferred and approved "Domestic Crisis Event" vendors.
- Benefit extends to immediate family of an employee that is directly involved in the "Domestic Crisis Event."
- The benefit can be used for qualified "Domestic Crisis Events" to help with:
  - » Crisis Management
  - » Crisis Response
  - » Public Relations
  - » Emergency Psychological Treatment
- Includes crisis communication and media management.
- Short-term counseling and referral for directly involved employees and their immediate family.



**TOKIO MARINE  
GROUP**

# SAFETY NATIONAL AT A GLANCE

A.M. Best Rating A+ (Superior)  
Financial Size Category XV

## Why Safety National?

- Leading specialty insurance carrier, offering a variety of risk solutions for large commercial and public entity clients.
- Long-time presence in the market, providing uninterrupted service to thousands of customers nationwide for over 75 years.
- Relationship-focused approach to customer service, listening closely to customer needs and designing flexible programs and placements to address them.
- Unique claims and medical management proficiency, managing complex claims efficiently and effectively.

## Financial Strength\*

- Policyholders' surplus: \$2.7 billion (14.7% increase over 12/18)
- GAAP Stockholders' equity: \$4.2 billion (19.1% increase over 12/18) and \$10.5 billion in assets
- A.M. Best Rating A+ (Superior), Financial Size Category XV
- Standard & Poor's Rating A+
- A member of the Tokio Marine Group, with approximately \$224 billion in total assets. The Group's main operating subsidiary, Tokio Marine & Nichido Fire (TMNF), maintains an A.M. Best rating of A++ (Superior), Financial Size Category XV.

\*as of 12/19

## Solutions

### Workers' Compensation:

- Excess
- Large Deductible
- Large Guaranteed Cost
- Defense Base Act
- TEXcess

### Public Entity Liability:

- Law Enforcement Liability
- Public Officials Liability
- Educators Legal Liability

### Commercial Auto

### Commercial General Liability

### Cyber Risk

### Reinsurance

### Loss Portfolio Transfers

### Captives

### Self-Insurance Bonds

## Services

- **Medical Management Resources:** Supplemental programs designed to help manage complicated claims towards best possible outcomes.
- **MAP Client Services:** A full suite of online resources designed to help build or enhance safety and compliance programs.
- **Risk Control Services:** A vetted network of highly-qualified consultants available to assist with on-site safety and risk control projects.

03/2020



(888) 995-5300 · [info@safetynational.com](mailto:info@safetynational.com) · [safetynational.com](http://safetynational.com)  
A member of the Tokio Marine Group



Liability expense up to policy limit up to \$10M

Emergency Landing Expense = Cost of Aircraft plus expenses to move aircraft

- i. Emergency expense reimbursement at \$1,000,000.  
 Yes  No Included Premium
- j. Search and rescue expenses \$250,000  
 Yes  No Included Premium
- k. Is Mexican coverage included through an authorized Mexican insurance company?  
 Yes  No \_\_\_\_\_ Premium
4. Are there any restrictions on additional insureds?  Yes  No  
If yes, please explain. Only as respect with the operation of the aircraft by the  
County
- 
5. Is reimbursement of FAA approved operating expenses allowed?  Yes  No  
If no, please explain. Only if the operating expense comes from a covered loss
- 
6. Who is insured?
- |   |   |                             |
|---|---|-----------------------------|
| Webb County                             | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Webb County employees                   | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Permissive users/passengers             | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Anyone legally responsible for aircraft | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
7. Does automatic coverage for newly acquired or temporary substitute aircraft up to twenty (20) passengers apply?  
 Yes  No
8. Is coverage for war, hi-jacking and terrorism included?  Yes  No  
Please explain. War / TRIA is included
- 
9. Does non-owned aircraft include any fixed wing or rotor wing aircraft up to twenty (20) seats?  
 Yes  No
10. Is a lay-up credit allowed?  Yes  No
11. Are there any territorial restrictions?  Yes  No  
Please explain. \_\_\_\_\_
- 
12. Does the definition of "Disappearance" mean missing in flight and not reported for twenty (20) days? 30 Days  Yes  No
13. What pilots are included? Any pilot approved by the County's Chief Pilot or their  
Designee
- 
14. Knowledge of an occurrence commences when notice is received by the Webb County Risk Management Director?  Yes  No
15. Coverage is not excluded due to an airworthiness certificate not being in full force and effect.  Yes  No

16. Coverage included for emergency or unexpected landings.  Yes  No

17. Indicate if premium is flat or auditable and composite rate. Flat

18. Please indicate method of premium payment (monthly, quarterly, annually, etc.) Annual

19. Indicate the term of the coverage. One Year

If more than one year, are rates fixed?  Yes  No

20. Is your quote contingent on writing other line(s)?  Yes  No

If so, what line(s)? GL,AL, APD, EPL, POL, EBL, XS Liability & XS WC

21. Are specimen policy forms and endorsements included?  Yes  No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/28/2020  
Date

## EXCEPTION FORM FOR AIRCRAFT LIABILITY AND HULL

Please use this page to explain any differences between the specification requirements and your proposal. *This form must list all exceptions and/or additions to the specifications, by line of coverage. Failure to list the exceptions accurately could result in disqualification and rejection of your proposal.*

None are known except as noted in the coverage questionnaire.

Robert S. Bookhammer  

---

Authorized Signature

USI Southwest, Inc.  

---

Company

7/28/2020  

---

Date

ENDORSEMENT

FOREIGN VOLUNTARY WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY FOR TRAVELING  
EMPLOYEES - ALTERNATE

Effective 12:01 A.M., Local Time, DEFAULT DEFAULT, DEFAULT

SECTION 1. SCOPE OF INSURANCE

- A. The coverage afforded by this Agreement also applies to Employees, as defined in Section 2 of this Endorsement, who are traveling for work at locations within the following country or countries:

*anywhere in the world outside the United States or United States possessions and territories, except Countries or areas of Countries that are assigned a Travel Advisory Ranking at the time of travel that is either Level 3: Reconsider Travel or Level 4: Do Not Travel, as shown on the [Travel.State.Gov](http://Travel.State.Gov) website of the US Department of State – Bureau of Consular Affairs.*

- B. Benefits payable under this Endorsement are the same as those that would be payable if the Employees in question were subject to the Worker's Compensation Law of the following State or States: DEFAULT
- C. The CORPORATION'S Foreign Voluntary Endorsement Limit of Liability for Coverage B – Employer's Liability is limited to \$ **EL Limit agreed upon** and applies in excess of the Self-Insured Retention Per Occurrence.

SECTION 2. EMPLOYEES COVERED

- A. It is agreed that the coverage afforded by this Agreement applies to those Employees of the EMPLOYER who are traveling at the direction of the EMPLOYER to work at locations within the country or countries not excluded by this Endorsement.
- B. With respect to any such Employee traveling at the direction of the EMPLOYER to work at locations within the country or countries not excluded by this Endorsement, the coverage afforded by this Agreement shall apply in the same manner as if said Employee was performing work within the United States of America and subject to the Workers' Compensation Law of the following State or States: *DEFAULT*
- C. The coverage afforded by this Agreement shall not apply to persons other than citizens or residents of the United States of America within the country or countries stated in this Endorsement except as stated herein: NONE.

0293 11 1007 (XWC)

ENDORSEMENT (CONTINUED)

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. DEFAULT, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, ET AL, dated DEFAULT DEFAULT, DEFAULT.

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

Specimen

ENDORSEMENT #

VOLUNTARY COMPENSATION ENDORSEMENT-PREMIUM DELINEATION

Effective 12:01 A.M., Local Time, DEFAULT

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed that this Endorsement adds voluntary compensation insurance to this Agreement as follows:

A. Coverage

It is the intent of this endorsement to extend the coverage provided by this Agreement to non-compensated volunteer Employees, operating at the direction of the EMPLOYER, as if the volunteer Employees were subject to the Workers' Compensation and Employers' Liability Laws stipulated in the Schedule below, even though these laws may not require payment of benefits to such volunteer Employees.

This insurance applies to Loss sustained by the EMPLOYER because of bodily injury and occupational disease, including death resulting therefrom, due to Occurrences taking place within the Liability Period of this Agreement.

1. The bodily injury or occupational disease must be sustained by an Employee included in the group of Employees described in the Schedule.
2. The bodily injury or occupational disease must occur in the course of employment necessary or incidental to work in a State listed in the Schedule.
3. The bodily injury or occupational disease must occur in the United States of America, its territories or possessions or Canada and may occur elsewhere if the Employee is an American or Canadian citizen temporarily away from their home country.

B. Indemnification

The CORPORATION will indemnify the EMPLOYER for Loss in satisfaction of statutory benefits that would be imposed if the EMPLOYER and Employees described in the Schedule were subject to the Workers' Compensation Law shown in the Schedule. Naturally, indemnification for any such Loss is subject to the Self-Insured Retention Per Occurrence, Loss Fund(s) and Maximum Limit(s) of Liability as specified in the Declarations.

C. Exclusions

This insurance does not cover:

1. Any obligation imposed by a workers' compensation or occupational disease law, or any similar law.
2. Bodily injury intentionally caused or aggravated by the EMPLOYER.

ENDORSEMENT # (CONTINUED)

D. Before Indemnification

Before the CORPORATION indemnifies the EMPLOYER, the injured Employee, or his legal representative in the case of his incapacity or death, must:

1. Release the EMPLOYER and the CORPORATION, in writing, of all responsibility for the injury or death.
2. Transfer to the EMPLOYER and the CORPORATION their right to recover from others who may be responsible for the injury or disease.
3. Cooperate and do everything necessary to enable the EMPLOYER and the CORPORATION to enforce the right to recover from others.

If the injured Employee, or his legal representative(s), fails to perform as required above, or if they claim damages from the EMPLOYER or the CORPORATION for the injury or disease, the CORPORATION'S duty to indemnify the EMPLOYER is immediately terminated.

E. Recovery From Others

If the CORPORATION makes a recovery from others, the CORPORATION will keep an amount equal to its expenses of recovery and the Loss paid by the CORPORATION. The CORPORATION will pay the balance to the parties entitled to payment. If the parties entitled to the benefits of this insurance make a recovery from others, they must reimburse the CORPORATION for the Loss previously paid by the CORPORATION to such parties.

F. Employers' Liability Insurance

Employers' Liability Insurance applies to Loss covered by this endorsement as though the State of employment shown in the Schedule were shown in Item 2 of the Declarations.

G. Premium

It is agreed that all persons who donate their services to the EMPLOYER will be reported for purposes of premium computation at an hourly wage of \$6.55 per hour minimum, unless the work they do is similar to the work being done by a paid Employee who is receiving more than a \$6.55 per hour wage, in which event the wage reported for the unpaid voluntary Employee will be the same as the wage reported for the paid Employee.

SCHEDULE

Employees	State of Employment	Designated Workers Compensation Law
Authorized volunteers, student workers, etc, while not subject to any Workers' Compensation Law	DEFAULT	State(s) of DEFAULT

ENDORSEMENT # (CONTINUED)

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. DEFAULT, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, dated DEFAULT.

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

Specimen

XWC 0322 00 1291

ENDORSEMENT

90-DAYS NOTICE OF CANCELLATION

Effective 12:01 A.M., Local Time, Month Day, Year

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed as follows:

The portion of the first paragraph of the Section entitled Cancellation, which reads, "... not less than sixty (60) days prior to the date of cancellation..." is amended to read, "...not less than ninety (90) days prior to the date of cancellation...".

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. , issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, ET AL, dated , .

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

## ENDORSEMENT #

This endorsement, effective 12:01 am, forms a part of Policy No. issued to by .

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

### ENDORSEMENT - MINIMUM EARNED PREMIUM

This endorsement modifies insurance provided under the following:

Educators Legal and Employment Practices Liability Coverage Form

It is hereby understood and agreed that a minimum of Twenty-five percent (25%) of the premium shown on the Declarations page shall be fully earned at the inception date of the policy.

All other terms and conditions of this policy remain unchanged.

SPECIMEN

## ENDORSEMENT #

This endorsement, effective 12:01 am, forms a part of Policy No. issued to by .

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### EXCLUSION ENDORSEMENT – NUCLEAR ENERGY LIABILITY (Broad Form)

This endorsement modifies insurance provided under the following:

Educators Legal and Employment Practices Liability Coverage Form

1. This insurance does not apply:
  - A. Under any Liability Coverage to **personal injury** or **property damage**:
    - 1) With respect to which an **insured** under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - 2) Resulting from the **hazardous properties of nuclear material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Liability Coverage, to **personal injury** or **property damage** resulting from the **hazardous properties of nuclear material**, if:
    - 1) The **nuclear material** (a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured** or (b) has been discharged or dispersed therefrom;
    - 2) The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **insured**; or
    - 3) The **personal injury** or **property damage** arises out of the furnishing by an **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility** but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to **property damage** to such **nuclear facility** and any property thereat.
2. As used in this endorsement:

**hazardous properties** include radioactive, toxic or explosive properties; **nuclear material** means **source material**, **special nuclear material** or **by-product material**; **source material**, **special nuclear material**, and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or any law amendatory thereof; **spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**; **waste** means any waste material (a) containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content, and (b) resulting from the operation by any person or organization of any **nuclear facility** included under the first two paragraphs of the **nuclear facility** means:

  - A. Any **nuclear reactor**;
  - B. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **spent fuel** or (3) handling, processing or packaging **waste**;
  - C. Any equipment or device used for the processing, fabricating, or alloying of **special nuclear** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of uranium 235;

- D. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises are used for such operations; **nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material; **property damage** includes all forms of radioactive material.

All other terms and conditions of this policy remain unchanged.

SPECIMEN



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SERVICE OF PROCESS ENDORSEMENT**

When a cause of action arises in any of the states listed below, service of process applies as shown below for that state. As used in this endorsement, "the Company" shall mean QBE Specialty Insurance Company.

### **ALABAMA Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of Alabama as its 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 any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 2 North Jackson Street, Suite 605, Montgomery, AL 36104 as the person to whom the Commissioner shall mail process.

### **ALASKA Service of Process Clause**

Upon any cause of action arising in Alaska under this contract, the Company may be sued. The Company appoints the Director of Insurance for the State of Alaska as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Director, or his successors in office, shall be lawful service upon the Company. The Company further designates CT Corporation System, 9360 Glacier Highway, Suite 202, Juneau, AK 99801 as the person to whom the Director is authorized to mail such process or a true copy thereof.

### **ARIZONA Service of Process Clause**

Upon any cause of action arising in Arizona under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Arizona by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 3800 North Central Avenue, Suite 460, Phoenix, AZ 85012, as the person to whom the Director shall mail process.

### **ARKANSAS Service of Process Clause**

Upon any cause of action arising in Arkansas under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Arkansas and his successors in office by the clerk of the court in which the action is brought. The Company further designates The Corporation Company, 124 West Capitol Avenue, Suite 1900, Little Rock, AR 72201 as the person to whom the Commissioner shall mail process.

### **CALIFORNIA Service of Suit Clause**

The Company hereby designates CT Corporation System, 818 West 7<sup>th</sup> Street, Suite 930, Los Angeles, California, 90017 as its true and lawful attorney in and for the State of California, upon whom all lawful process may be served in any action, suit or proceeding instituted in California by or on behalf of any insured or beneficiary against the Company arising out of this insurance policy, provided a copy of any process, suit, complaint or summons is sent by certified or registered mail to: 55 Water Street, 19th Floor, New York, NY 10041.

### **COLORADO Service of Process Clause**

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance for the State of Colorado as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates The Corporation Company, 7700 East Arapahoe Road, Suite 220, Centennial, CO 80112 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

### **CONNECTICUT Service of Process Clause**

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance for the State of Connecticut as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 67 Burnside Avenue, East Hartford, CT 06108 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

### **DELAWARE Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of Delaware as its 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 any beneficiary arising out of this contract of insurance. The Company further designates The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801 as the person to whom the Commissioner shall mail process.

### **DISTRICT OF COLUMBIA Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the District of Columbia as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 1015 15th Street, NW, Suite 1000, Washington, DC 20005 as the person to whom the Commissioner shall mail process.

### **FLORIDA Service of Process Clause**

The Company hereby designates the Chief Financial Officer of the Department of Financial Services as its agent upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1200 South Pine Island Road, Plantation, FL 33324 as the person to whom the Chief Financial Officer shall mail process.

### **GEORGIA Service of Process**

Upon any cause of action under this policy, the Company may be sued in the superior court of the county in which the cause of action arose. The Company appoints the Georgia Commissioner of Insurance as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 289 South Culver Street, Lawrenceville, GA 30046 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

### **HAWAII Service of Process Clause**

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance for the State of Hawaii as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates The Corporation Company, Inc., 1136 Union Mall, Suite 301, Honolulu, HI 96813 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

### **IDAHO Service of Process Clause**

Upon any cause of action arising in Idaho under this contract, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of the Department of Insurance of the State of Idaho. The Company further designates CT Corporation System, 921 S. Orchard Street, Suite G, Boise, ID 83705 as the person to whom the Director shall mail process.

### **ILLINOIS Service of Process Clause**

The Company hereby designates the Director of the Illinois Department of Insurance and his successor or successors in office as its 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 any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 208 South LaSalle Street, Suite 814, Chicago, IL 60604 as the person to whom the Director shall mail process.

#### **INDIANA Service of Process Clause**

Upon any cause of action arising in Indiana under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Indiana by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 150 West Market Street, Suite 800, Indianapolis, IN 46204 as the person to whom the Commissioner shall mail process.

#### **IOWA Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of Iowa as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 400 East Court Avenue, Suite 110, Des Moines, Iowa 50309 as the person to whom the Commissioner shall mail process.

#### **KANSAS Service of Process Clause**

Upon any cause of action arising in Kansas under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Kansas and his successor or successors in office. The Company further designates The Corporation Company, Inc., 112 S.W. Seventh Street, Suite 3C, Topeka, KS 66603 as the person to whom the Commissioner shall mail process.

#### **KENTUCKY Service of Process Clause**

Upon any cause of action arising in Kentucky under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Kentucky Secretary of State by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 306 West Main Street, Suite 512, Frankfort, KY 40601 as the person to whom the Secretary of State shall mail process.

#### **LOUISIANA Service of Process Clause**

Upon any cause of action arising in Louisiana under this contract, the Company may be sued in the district court of the parish in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Louisiana Secretary of State. The Company further designates CT Corporation System, 3867 Plaza Tower Drive, Baton Rouge, LA 70816 as the person to whom the Secretary of State shall mail process.

#### **MAINE Service of Process Clause**

Upon any cause of action arising in this State under this policy, the Company may be sued in the Superior Court. Service of legal process against the Company may be made in any such action by service of two copies upon the designated agent. The Company further designates CT Corporation System, 128 State Street, #3, Augusta, ME 04330 as the agent.

#### **MARYLAND Service of Process Clause**

Upon any cause of action arising in Maryland under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Insurance Commissioner of the State of Maryland by the clerk of the court in which the action is brought. The Company further designates The Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, MD 21093 as the person to whom the Commissioner shall mail process.

#### **MASSACHUSETTS Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of Massachusetts as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 155 Federal Street, Suite 700, Boston, MA 02110 as the person to whom the Commissioner shall mail process.

#### **MICHIGAN Service of Process Clause**

Upon any cause of action arising in Michigan under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance, c/o Resident Agent, of the State of Michigan by the clerk of the court in which the action is brought. The Company further designates The Corporation Company, 40600 Ann Arbor Road East, Suite 201, Plymouth, MI 48170 as the person to whom the Commissioner shall mail process.

#### **MINNESOTA Service of Process Clause**

Upon any cause of action arising in Minnesota under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Commerce of the State of Minnesota by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, Inc., 1010 Dale Street North, Saint Paul, MN 55117 as the person to whom the Commissioner shall mail process.

#### **MISSISSIPPI Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of Mississippi as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 645 Lakeland East Drive, Suite 101, Flowood, MS 39232 as the person to whom the Commissioner shall mail process.

#### **MISSOURI Service of Process Clause**

Upon any cause of action arising in Missouri under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Missouri and his successors in office by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 120 South Central Avenue, Clayton, MO 63105 as the person to whom the Director shall mail process.

#### **MONTANA Service of Process Clause**

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance of the State of Montana as its attorney for acceptance of the service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 3011 American Way, Missoula, MT 59808 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

#### **NEBRASKA Service of Process Clause**

Upon any cause of action arising in Nebraska under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Nebraska. The Company further designates CT Corporation System, 5601 South 59<sup>th</sup> Street, Suite C, Lincoln, NE 68516 as the person to whom the Director shall mail process.

#### **NEVADA Service of Process Clause**

Upon any cause of action arising in Nevada under this contract, the Company may be sued in a district court of Nevada. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Nevada or the Commissioner's authorized representative. The Company further designates The Corporation Trust Company of Nevada, 701 South Carson Street, Suite 200, Carson City, NV 89701 as the person to whom the Commissioner shall mail process.

#### **NEW HAMPSHIRE Service of Process Clause**

Upon any cause of action arising in New Hampshire under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of New Hampshire by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 2½ Beacon Street, Concord, NH 03301-4447 as the person to whom the Commissioner shall mail process.

#### **NEW JERSEY Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of New Jersey as its 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 any beneficiary arising out of this contract of insurance. The Company further designates The Corporation Trust Company, 820 Bear Tavern Road, West Trenton, NJ 08628 as the person to whom the Commissioner shall mail process.

#### **NEW MEXICO Service of Process Clause**

Upon any cause of action arising in New Mexico under this contract, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Superintendent of Insurance of the State of New Mexico by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 206 South Coronado Avenue, Espanola, NM 87532 as the person to whom the Superintendent shall mail process.

#### **NEW YORK Service of Process Clause**

The Company hereby designates the Superintendent of Financial Services of the State of New York, and his successors in office, as its true and lawful attorney upon whom all lawful process may be served in any action, suit, or proceeding instituted in this State by or on behalf of the insured or any beneficiary against the Company arising out of this policy of insurance. The Company further designates CT Corporation System, 111 Eighth Avenue, 13<sup>th</sup> Floor, New York, NY 10011 as the person to whom the Superintendent shall mail process.

#### **NORTH CAROLINA Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of North Carolina, and his successor(s) in office, as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 160 Mine Lake Court, Suite 200, Raleigh, NC 27615 as the person to whom the Commissioner shall mail process.

#### **NORTH DAKOTA Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of North Dakota as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 120 West Sweet Avenue, Bismarck, ND 58504 as the person to whom the Commissioner shall mail process.

#### **OHIO Service of Process Clause**

Upon any cause of action arising in Ohio under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Superintendent of Insurance of the State of Ohio by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 4400 Easton Commons Way, Suite 125, Columbus, OH 43219 as the person to whom the Superintendent shall mail process.

#### **OKLAHOMA Service of Process Clause**

Upon any cause of action arising in Oklahoma under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Oklahoma by the clerk of the court in which the action is brought. The Company further designates The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128 as the person to whom the Commissioner shall mail process.

#### **OREGON Service of Process Clause**

Upon any cause of action arising in Oregon under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. The Company further designates CT Corporation System, 780 Commercial Street SE, Suite 100, Salem, OR 97301 as the person to whom the process shall be mailed.

#### **PENNSYLVANIA Service of Process Clause**

Upon any cause of action arising in Pennsylvania under this contract, the Company may be sued in the court of the county in which the cause of action arose. The Company hereby designates the Commissioner of Insurance of the Commonwealth of Pennsylvania as its 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 any beneficiary arising out of this contract of insurance. Service of process shall be made pursuant to the procedures provided by 42 Pa.C.S. Ch. 53 Subch. B (relating to interstate and international procedure). The Company further designates CT Corporation System, 600 North Second Street, Suite 401, Harrisburg, PA 17101 as the person to whom the Commissioner shall mail process.

#### **RHODE ISLAND Service of Process Clause**

Upon any cause of action arising in Rhode Island under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Rhode Island by the clerk of the court in which the action is brought.

The Company further designates CT Corporation System, 450 Veterans Memorial Parkway, Suite 7A, East Providence, RI 02914 as the person to whom the Commissioner shall mail process.

**SOUTH CAROLINA Service of Process Clause**

The Company hereby designates the Director of Insurance of the State of South Carolina as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 2 Office Park Court, Suite 103, Columbia, SC 29223 as the person to whom the Director shall mail process.

**SOUTH DAKOTA Service of Process Clause**

Any cause of action against the Company arising in South Dakota under this policy shall be brought in the circuit court for the county in which the cause of action arose. Service of legal process against the Company may be made in any such action by service upon the Director of Insurance of the State of South Dakota and his successors in office. The Company further designates CT Corporation System, 319 South Coteau Street, Pierre, SD 57501 as the person to whom the Director shall mail a copy of the process.

**TENNESSEE Service of Process Clause**

The Company hereby designates the Commissioner of Commerce and Insurance of the State of Tennessee as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 300 Montvue Road, Knoxville, TN 37919 as the person to whom the Commissioner shall mail process.

**TEXAS Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of Texas as its 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 any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1999 Bryan Street, Suite 900, Dallas, TX 75201 as the person to whom the Commissioner shall mail process.

**UTAH Service of Process Clause**

The Company hereby designates the Commissioner of Insurance of the State of Utah as its agent upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1108 East South Union Avenue, Midvale, UT 84047 as the person to whom the Commissioner shall mail process.

**VERMONT Service of Process Clause**

The Company hereby designates the Secretary of State of Vermont as its 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 any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 17 G W Tatro Drive, Jeffersonville, VT 05464 as the person to whom the Secretary of State shall mail process.

**VIRGINIA Service of Process Clause**

The Company hereby designates the Clerk of the Virginia State Corporation Commission as its 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 any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 4701 Cox Road, Suite 285, Glen Allen, VA 23060 as the person to whom the Clerk of the Commission shall mail process.

**WASHINGTON Service of Process Clause**

Upon any cause of action arising in Washington under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Washington by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 711 Capitol Way South, Suite 204, Olympia, WA 98501 as the person to whom the Commissioner shall mail process.

**WEST VIRGINIA Service of Process Clause**

Upon any cause of action arising in West Virginia under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Secretary of State of West Virginia by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 1627 Quarrier Street, Charleston, WV 25311-2124 as the person to whom the Secretary of State shall mail process.

**WISCONSIN Service of Process Clause**

Upon any cause of action arising in Wisconsin under this policy the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Wisconsin. The Company further designates CT Corporation System, 301 South Bedford Street, Suite 1, Madison, WI 53703 as the person to whom the Commissioner shall mail process.

**WYOMING Service of Process Clause**

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance of the State of Wyoming as its attorney for acceptance of the service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 1908 Thomas Avenue, Cheyenne, WY 82001 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

All other terms and conditions of this policy remain unchanged.

## ENDORSEMENT #

This endorsement, effective 12:01 am, forms a part of Policy No. issued to by .

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### EXCLUSION – SEXUAL ABUSE

This endorsement modifies insurance provided under the following:

Educators Legal and Employment Practices Liability Coverage Form

This policy does not provide coverage for **damages** or **claims expenses** in connection with any **claim** based upon or arising out of actual or alleged **sexual abuse** of any person by any person. Such **damages** or **claims expenses** are excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. **Sexual abuse** means any actual, attempted, or alleged sexual misconduct of a person by another person, or persons acting in concert, which causes physical or mental injuries. **Sexual abuse** includes sexual molestation, sexual assault, and sexual exploitation.

**Sexual abuse** does not include **sexual harassment**.

2. **Sexual harassment** means any actual or alleged unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature, of a person by another person, or persons acting in concert, which cause physical and/or mental injuries:
  - a. When submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
  - b. When such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile, or offensive work environment.

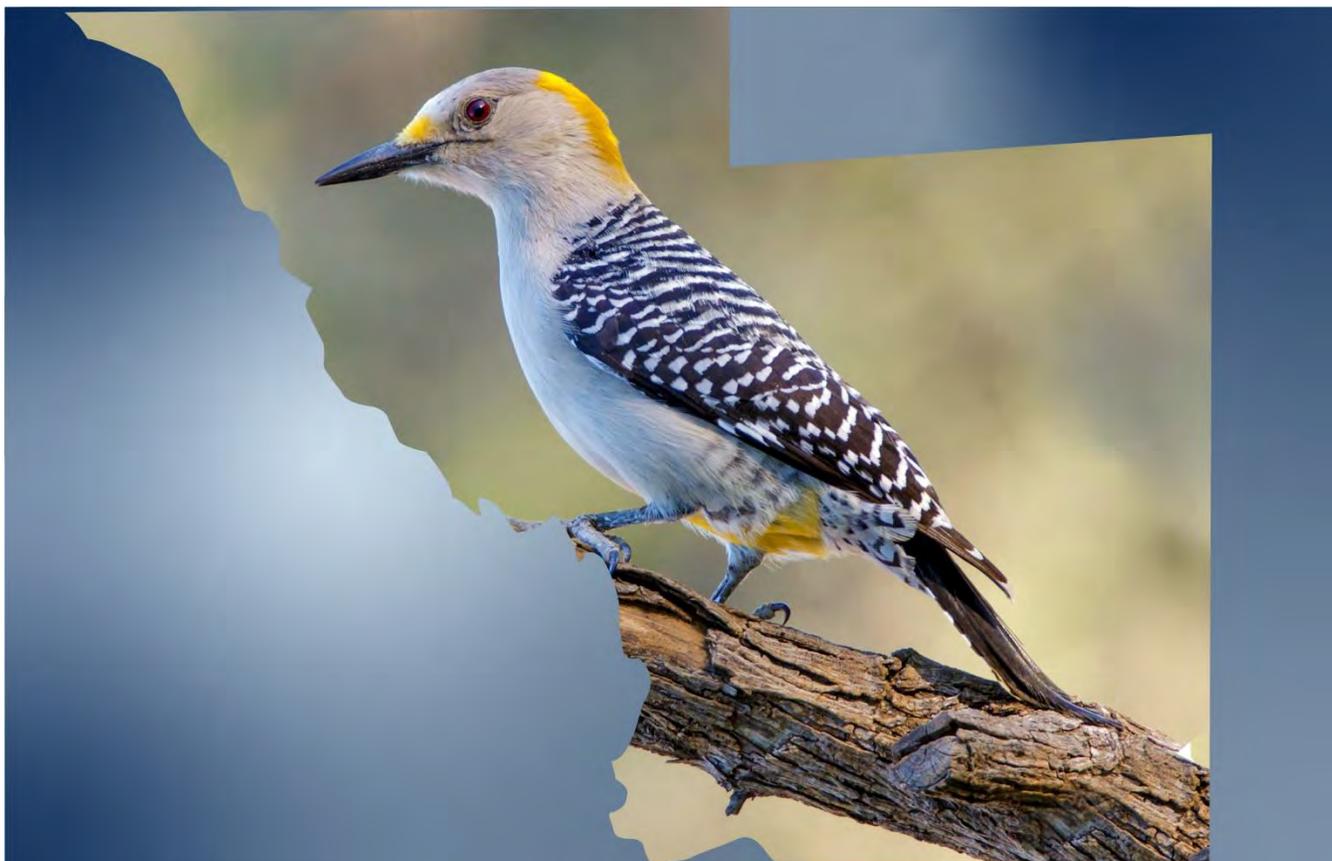
**Sexual harassment** does not include **sexual abuse**.

It is further understood that Section VII – Definition Part I. **Wrongful Employment Practices** is deleted and replaced by the following:

**I. Wrongful Employment Practice(s)** means:

1. Employment related discrimination in connection with hiring, promotion, advancement or opportunity demotion, discipline, pay, or termination on the basis of race, color, sex, age, religion, national origin, disability, sexual orientation, marital status, or pregnancy, or any conduct that violates any federal, state, or local law prohibiting employment discrimination;
2. **Sexual harassment**; or
3. Any of the following employment related acts so long as they arise from the acts described in subparagraphs I.1 and I.2 above: misrepresentation, invasion of privacy, defamation, retaliation, negligent infliction of emotional distress, wrongful discipline, negligent evaluation, negligent hiring, or negligent supervision.

All other terms and conditions of this policy remain unchanged.



Response to Request for Proposal for No. 2020-009  
Property & Casualty Insurance Specifications

## Webb County

July 31, 2020

Submitted by:

Robert S. Bookhammer, ARM-P, CSR, LRM  
Senior Vice President, Public Sector Specialist

USI Southwest, Inc.  
14241 Dallas Parkway, Suite 700  
Dallas, TX 75254  
Phone: 972.737.6210  
Email: [bob.bookhammer@usi.com](mailto:bob.bookhammer@usi.com)

[www.usi.com](http://www.usi.com)



**Robert S. Bookhammer III,**  
**ARM-P, CSR, LRM**  
USI Southwest, Inc.  
14241 Dallas Pkwy., Suite 700  
Dallas, TX 75254

July 31, 2020

Mr. Juan Guerrero Jr., CTCD  
Purchasing Contract Administrator  
Webb County  
110 Washington Street, Ste. 101  
Laredo, TX 78040

Re: RFP 2020-009 "Property & Casualty Insurance Specifications"

Dear Mr. Guerrero,

USI Southwest, Inc. (USI) has had the pleasure of serving as Webb County (the County)'s risk management and insurance consultant since October 2007. We've achieved numerous goals and objectives to help the County take their risk management program to the next level. We look forward to continuing our relationship and collaborating with you to implement new innovative products and services for the County's ever-changing needs which will offer further refinements to your risk management programs, processes, and risk outcomes.

Please accept this proposal as our commitment to continue to serve as the County's risk management and insurance consultant.

**We believe USI is the County's optimal choice for the following reasons:**

- We are committed to servicing Public Entity clients like the County through our national and regional practice groups within the USI organization.
- The primary account team has extensive experience handling the insurance and risk management needs for complex accounts like the County.
- We understand the effect budget constraints have on risk management decisions and the cost considerations the County must deal with in purchasing coverage, paying retained claims and prioritizing risk management goals and objectives.
- Our corporate structure is decentralized and client-centric, providing local services, coupled with the resources of a large national firm. Our National and Regional resources will be available as part of your account service team.
- We work effectively to negotiate the best pricing on insurance products and tailor coverages with the best services to meet and exceed the County's needs.
- As one of the largest insurance brokerages in the world, we work extensively with all public sector carriers daily and serve on many national insurer producer councils which allows us direct access to the decision makers

Thank you for the opportunity to respond to this request for proposal. The County is an important and valued client to USI, and we would appreciate the opportunity to continue our relationship. Please do not hesitate to contact me for further information or clarification.

We will continue to work together to ensure the County is firmly positioned as "best in class" in risk management.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Bookhammer III", is written over a light blue horizontal line.

Robert S. Bookhammer III, ARM-P, CSR, LRM  
Senior Vice President/Producer  
Direct dial: 972.737.6210 | Email: [bob.bookhammer@usi.com](mailto:bob.bookhammer@usi.com)

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# EXECUTIVE SUMMARY

*We're the right team for the job. We listen to your needs and get to know you and your business thoroughly so we can be in the best position to advise you on critical challenges.*



**A history of success:** For more than 13 years, USI has helped the County identify possible exposures to loss, provided solutions to address these exposures, and provided the means to help the County embed risk management into County processes. Our consultative approach included bringing new coverages and market attentions, offering new ideas and techniques by leveraging our experience and combined capabilities to provide the maximum support to the County's ongoing risk management efforts.

**Tactical excellence and insightful analysis:** Our historical knowledge of the County's property and casualty risks, combined with the USI ONE Advantage® delivers a fundamentally different approach to risk management. USI ONE® integrates proprietary analytics with a network of local and national technical experts. A team-based consultative planning process evaluates your risk profile, provides insightful analysis, and identifies targeted solutions focused on cost reduction and coverage or service enhancement.

**Local office support:** With more than 750 local dedicated, experienced, and innovative professionals, we have an expanded team of risk management advisors throughout the Southwest. Your local account team – based in Dallas, TX – is an extension of our enterprise-wide experience. At USI, we work to understand your specific needs, provide an unparalleled local service experience, and innovate with cutting edge solutions so the County can continue to protect their balance sheet, asset, employees and reputation.

As your trusted advisor, we will continue to provide comprehensive advisement, cost management, and support with the full range of services related to the assessment, quantification, mitigation, and improvement of your risk management programs.

Our goal is to provide the County the best insurance brokerage & placement services coupled with best practices risk management services which include loss prevention, claims advocacy services and customized analytics.

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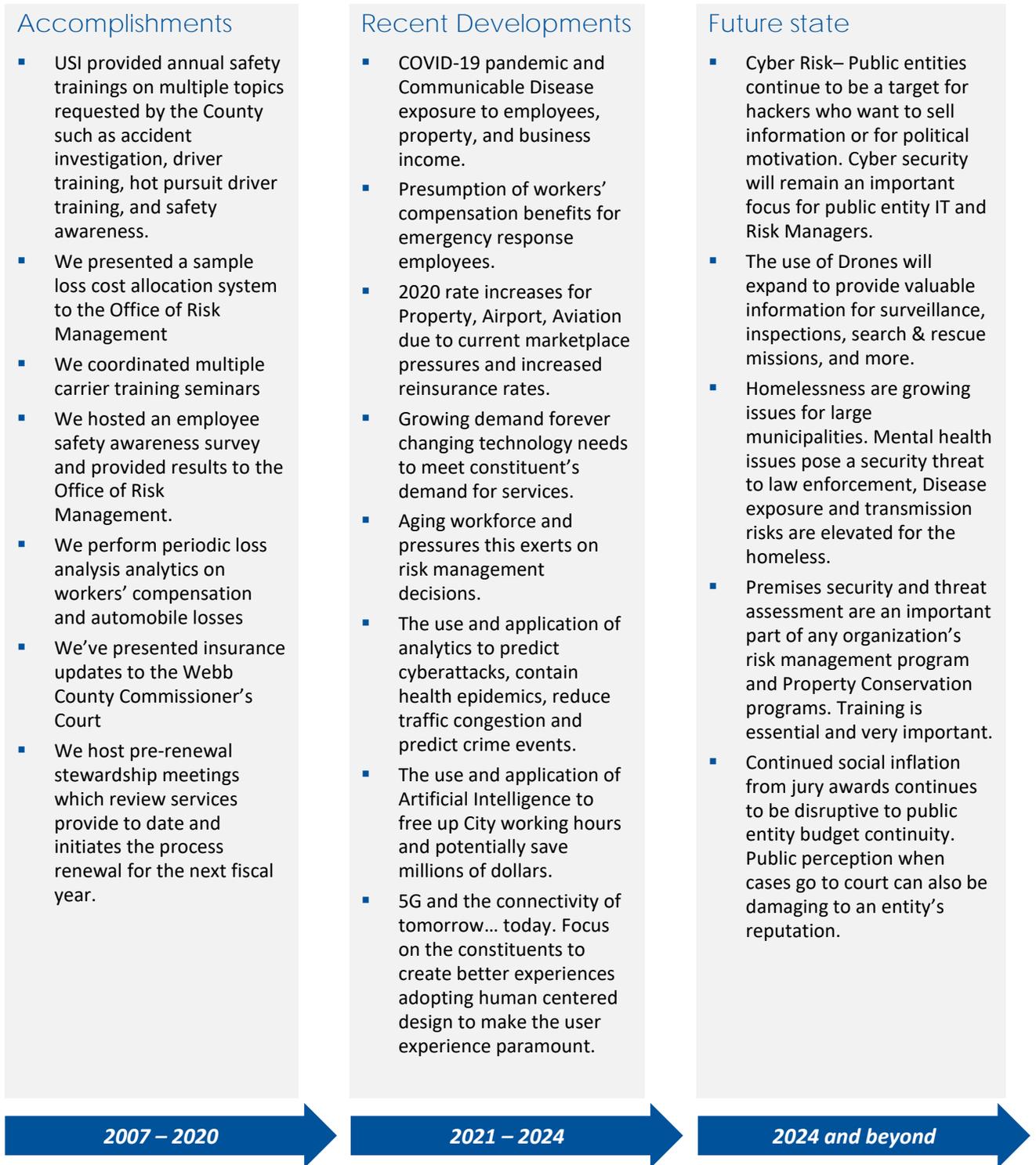
Our primary mission is to support the County's goals by offering a unique depth and breadth of risk management solutions to systematically improve total cost of risk.

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We are privileged and proud to have worked as your property and casualty risk advisor since 2007. Over this thirteen-year period, we have partnered with the County's Risk Management Team, gaining a full understanding of your risk strategy and culture so well that we've provided customized, creative, successful solutions in a timely manner throughout the years.

The road to success is rarely straight or smooth. As the County continues to consolidate processes, evaluate innovative solutions, and work to reduce risk while identifying areas of potential improvement and cost savings, we stand ready and able to help.

In fact, we fully expect our role to continue to evolve over the course of the next 12 – 36 months:



# G. QUALIFICATIONS

## 1. AGENT

**All agents submitting proposals for this insurance must meet the following minimum qualifications:**

**a. The agency must be duly licensed to do business in the State of Texas.**

USI Insurance Services LLC and its insurance operations and subsidiaries (USI Southwest, Inc.) are registered to do business and are insurance department licensed in all necessary lines of authority in all 50 U.S. States, District of Columbia, and several U.S. Territories.



A copy of our **State of Texas Business License** is provided in [Appendix I](#).

**b. The agency must have insurance for agent's errors and omissions with a limit of at least \$1,000,000 per-occurrence. A certificate evidencing coverage must be included with the proposal.**

USI carries \$15,000,000 per claim and \$15,000,000 aggregate on our professional liability (E&O) insurance through XL Specialty. Our current policy is effective through December 31, 2020.



A copy of our **E&O certificate of insurance** provided in [Appendix II](#).

**If any non-admitted, excess, or surplus lines carriers are used in writing any coverages for the County, please include a detailed explanation of all the financial and managerial parameters of the company(ies).**

We have the necessary skill sets on staff to place any specialized coverage the County could require. In some instances, specific coverage may only be available in the excess and surplus lines marketplace. In these few instances, we would access this marketplace through the use of a wholesale or specialty broker. This would be true of placements into the London, Bermuda, European, or Asian markets. Due to our relationships, size, scope, and scale, we can go direct to a number of surplus lines markets.

The compensation of such intermediaries is not included in our compensation under this agreement and will be paid by insurers out of paid premiums. The compensation paid to our affiliates will be disclosed to the County prior to binding any coverage on your behalf.

**c. The agency must have been in business for at least five (5) years.**

Founded in 1994, USI is one of the largest insurance brokerage and consulting firms in the world, delivering property and casualty, employee benefits, personal risk, program, and retirement solutions throughout the United States.

- d. The agency must assign a minimum of one qualified account representative to service Webb County. This representative should have several years of experience in public entity property and liability lines and/or hold an insurance designation. Please include the resumes of all proposed account representatives in the proposal.

<b>Primary contact:</b>	<b>Robert S. Bookhammer, ARM-P, CSRM, LRM</b>
<b>Title:</b>	Senior Vice President, Public Sector Specialist
<b>Address:</b>	14241 Dallas Parkway, Suite 700 Dallas, TX 75254
<b>Telephone:</b>	972.737.6210
<b>Email:</b>	Bob.bookhammer@usi.com



Team bios provided in [Appendix III](#).

<b>1</b>	<b>Company Name</b>	<b>Collin County</b> – Casualty broker since 2009
	<b>Contact Name, Title</b>	Julie Rutherford – Risk Manager
	<b>Telephone Number</b>	972.548.4782
	<b>Email Address</b>	<a href="mailto:jrutherford@co.collin.tx.us">jrutherford@co.collin.tx.us</a>
	<b>Scope of Work</b>	Casualty lines insurance brokerage, placement, risk management services, consulting, loss prevention and claims consulting/advocacy services
	<b>USI Team Members</b>	Robert Bookhammer – Senior Vice President/Producer Lori Burson – Account Executive Nathan Johnson – Account Representative R. Scott Bellamy – Senior Safety Loss Control Consultant Jenni Wynn-Bock – Senior Claims Consultant Greg Knapic – Senior Property Consultant Michael Zay – Property Modeling Executive Ameil Edwards – Casualty Analytics Executive Chris Keller – Casualty Marketing Executive

<b>2</b>	<b>Company Name</b>	<b>Ector County</b> – All lines broker since 1997
	<b>Contact Name, Title</b>	Patricia Patton – Director of Human Resources
	<b>Telephone Number</b>	432.498.4025
	<b>Email Address</b>	<a href="mailto:patricia.patton@ectorcountytexas.gov">patricia.patton@ectorcountytexas.gov</a>
	<b>Scope of Work</b>	Scope of Work – Insurance brokerage (all lines purchased), placement, risk management services, consulting, loss prevention and claims consulting/advocacy services

	<b>USI Team Members</b>	Robert Bookhammer – Senior Vice President/Producer Lori Burson – Account Executive Nathan Johnson – Account Representative R. Scott Bellamy – Senior Safety Loss Control Consultant Jenni Wynn-Bock – Senior Claims Consultant Greg Knapic – Senior Property Consultant Michael Zay – Property Modeling Executive Ameil Edwards – Casualty Analytics Executive Chris Keller – Casualty Marketing Executive
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<b>3</b>	<b>Company Name</b>	<b>Katy Independent School District</b> – Property, XS WC, UST, Master Builder’s Risk broker since 2009
	<b>Contact Name, Title</b>	Lance Nauman
	<b>Telephone Number</b>	281.396.2251
	<b>Email Address</b>	<a href="mailto:Lancennauman@katyisd.org">Lancennauman@katyisd.org</a>
	<b>Scope of Work</b>	Scope of Work – Insurance brokerage (all lines except casualty), placement, risk management services, consulting, loss prevention and claims consulting/advocacy services
	<b>USI Team Members</b>	Robert Bookhammer – Senior Vice President/Producer Lori Burson – Account Executive Nathan Johnson – Account Representative R. Scott Bellamy – Senior Safety Loss Control Consultant Jenni Wynn-Bock – Senior Claims Consultant Greg Knapic – Senior Property Consultant Michael Zay – Property Modeling Executive Ameil Edwards – Casualty Analytics Executive Chris Keller – Casualty Marketing Executive

<b>4</b>	<b>Company Name</b>	<b>Lewisville Independent School District</b> – Property, XS WC, UST, Auto Liability & Physical Damage, Terror & Sabotage and Cyber – Broker since 1999
	<b>Contact Name, Title</b>	Craig Martin – Executive Purchasing Director
	<b>Telephone Number</b>	972.350.4751
	<b>Email Address</b>	<a href="mailto:martinc@lisd.net">martinc@lisd.net</a>
	<b>Scope of Work</b>	Scope of Work – Insurance brokerage, placement, risk management services, consulting, loss prevention and claims consulting/advocacy services
	<b>USI Team Members</b>	Robert Bookhammer – Senior Vice President/Producer Lori Burson – Account Executive Nathan Johnson – Account Representative R. Scott Bellamy – Senior Safety Loss Control Consultant Jenni Wynn-Bock – Senior Claims Consultant Greg Knapic – Senior Property Consultant Michael Zay – Property Modeling Executive Ameil Edwards – Casualty Analytics Executive Chris Keller – Casualty Marketing Executive

## 2. INSURER:

**a. Although proposals will be accepted from carriers regardless of their A.M. Best rating (or whether or not they are rated) more favorable consideration will be given to those proposals submitted by carriers with ratings of at least A-:VII in the latest edition of A.M. Best's Key Rating Guide (property/casualty edition).**

USI strives to place the County's insurance placements with top rated carriers with AM Best ratings of A X or better.

We have a centralized resource, our USI Market Management team, which provides the field with market security recommendations based on financial and other relevant information. We continuously screen all insurance carriers for quality by utilizing the A.M. Best Ratings to effectively monitor quality and solvency. Should a rating go below A-, the carrier is placed on a "watch" status and the County is notified of the change. USI will discuss strategy based on specific circumstances, e.g. severity of rating change, size of carrier, reputation of carrier, and quality of alternative markets available.

**b. Insurers shall be duly licensed, or approved non-admitted carriers, and comply with all applicable state insurance laws and requirements or duly constituted applicable insurance regulatory authorities.**

Agreed and confirmed.

**c. Local claims, underwriting and engineering capabilities will be considered a plus. If independent servicing firms are to be used for claims or safety engineering services, their names and addresses must be shown.**

All USI services provided to the County are in-house. These services would include but are not limited to: insurance brokerage, risk management consulting, loss prevention consulting, claims consulting & advocacy, casualty analytics and property modeling. Carrier provided resources may be either local or sourced from San Antonio. USI has no control over the location of the carrier provided resources.

**d. Quotations will be accepted from intergovernmental risk sharing pools organized in accordance with Article 4413 (32c), Texas Interlocal Cooperation Act, and Article 8309h, Workers Compensation for Political Subdivisions. Self-insurance pools must include a current financial statement (Balance Sheet and Statement of Operations) and the most recent audited financial statements, including the auditor's opinion, plus complete particulars about its reinsurance programs.**

Not applicable as USI is not a Risk Pool.

# J. SERVICING CRITERIA

**Webb County strongly desires to receive personalized and timely risk management services of the highest professional quality from the selected proposer. Proposers who demonstrate the professional capability, expertise, and experience in handling an account the size of Webb County will receive favorable consideration. Servicing criteria will be evaluated in terms of such considerations as:**

## 2. Number of years in business.

USI was founded in 1994 and incorporated in the State of Delaware. USI brings more than 150 years of brokerage experience, and over 53 years of commercial brokerage and consulting services, through our acquired national, regional, and local firms, with some dating back in their communities as far as the late 1800s.

## 3. Size of agency and staff.

USI at a Glance

 <p><b>2<sup>nd</sup></b></p> <p><b>Largest</b> privately-held broker of U.S. business</p>	 <p>The USI ONE Advantage<sup>®</sup> delivers superior client solutions with financial impact</p>	<p><b>500,000<sup>+</sup></b></p>  <p>clients served</p>
<p><b>"America's Best Large Employers"</b></p> <p><i>Two Years in a Row!</i></p> <p><i>Forbes Magazine, 2018 &amp; 2019</i></p>	<p><b>\$2</b> Over <b>BILLION</b> IN Revenue</p>	<p><b>8,000<sup>+</sup></b> employees</p> 
<p><b>~200 Local offices</b></p> <p>Servicing local, national, and international needs.</p> 	<p><b>150<sup>+</sup></b> Years of brokerage experience</p> <p><i>through our acquired agencies</i></p>	<p>PROPERTY &amp; CASUALTY   ■   EMPLOYEE BENEFITS   ■   PERSONAL RISK   ■   PROGRAMS   ■   RETIREMENT CONSULTING</p>

Updated 7/2020

USI began with a single office of \$6.5 million of revenue and 40 associates. USI has become a leading insurance brokerage nationwide approaching \$2 billion in revenue. Over the past two decades — through both sustainable, organic growth and a series of strategic acquisitions — USI has become a leading insurance brokerage nationwide. USI is owned by KKR, Caisse de dépôt et placement du Québec (CDPQ), and hundreds of USI sales professionals, leadership, and employees. KKR is a global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate,

credit, and hedge funds. CDPQ is a long-term institutional investor that manages funds primarily for public and paraprofessional pension and insurance plans. For more information, visit [www.usi.com](http://www.usi.com).

USI has become a premier insurance brokerage and consulting firm by leveraging the USI ONE Advantage® — an interactive platform that integrates proprietary and innovative client solutions, networked local resources, and enterprise-wide collaboration to deliver customized results with positive, bottom-line impact. USI attracts best-in-class industry talent with a long history of deep and continuing investment in our local communities.

#### 4. Experience of staff.

Service team member and title	Role and qualifications
<b>Team Lead</b>	
<p><b>Robert Bookhammer, ARM-P, CSRM</b> <i>Team Leader Senior Vice President, Public Sector Specialist</i></p>	<ul style="list-style-type: none"> <li>▪ Bob is a senior member of the USI National Public Entity Practice.</li> <li>▪ He will work very closely with the County on all aspects of their insurance and risk management programs.</li> <li>▪ He will ultimately be responsible for the overall performance of the Insurance team.</li> <li>▪ He coordinates the service team resources, oversees all policy coverage and premium negotiations, and provides intellectual capital and advice to the County.</li> <li>▪ 38+ years of industry experience.</li> <li>▪ Bob received his B.S. in Business Administration from the University of Florida. He is a licensed Risk Manager for the State of Texas. He attained the Associate in Risk Management (ARM), Risk Management for Public Entities (RMPE 352), and Certified School Risk Manager (CSRM) designations.</li> </ul>
<b>Core Service Team</b>	
<p><b>Lori J. Burson</b> <i>Senior Account Manager</i></p>	<ul style="list-style-type: none"> <li>▪ Lori will be responsible for assisting the County with day-to-day activities and consulting advice on any aspect of the policies.</li> <li>▪ She will manage policy changes, invoices, certificates of insurance, and track service plans.</li> <li>▪ 18+ years of industry experience.</li> <li>▪ Lori graduated from Rio Salado College AAS – Administration of Justice Studies</li> </ul>
<p><b>Ameil Edwards</b> <i>Casualty Analyst</i></p>	<ul style="list-style-type: none"> <li>▪ Ameil helps the Southwest Technical Resource team develop data to use as leverage to negotiate fair and advantageous risk programs for clients with carriers. This role allows Ameil to work with large middle market and risk management accounts within the Southwest Region, that includes Arizona, Texas, and Louisiana.</li> </ul>
<p><b>R. Scott Bellamy, CSP, ARM</b> <i>Senior Risk Control Consultant</i></p>	<ul style="list-style-type: none"> <li>▪ Scott will assist the County with the development of a culture of risk throughout the entire organization. He will assist with risk identification and quantification. He will also help the County address any loss trends which may occur over time.</li> </ul>

Service team member and title	Role and qualifications
	<ul style="list-style-type: none"> <li>▪ He will coordinate risk control service plans to make sure the County's loss prevention activities are met. He has worked in the public entity and construction sectors for over 30 years.</li> <li>▪ He prepares loss trending information to establish focused loss prevention activities on the causes of losses; analyzes and benchmarks risk data to develop risk management action plans; and performs site inspections, audits, and employee training on an as-needed basis.</li> <li>▪ He will be available to SAWA as a resource to provide risk control knowledge and guidance and to assist with development and implementation of safety programs.</li> <li>▪ 32+ years of industry experience.</li> <li>▪ Scott received his B.S. in Industrial Technology from Texas A&amp;M University. He is a Certified Safety Professional (CSP), and Associate in Risk Management (ARM), and OSHA Construction Outreach Trainer.</li> </ul>
<p><b>Jenni Wynn-Bock</b> <i>Senior Claims Consultant</i></p>	<ul style="list-style-type: none"> <li>▪ Jenni will provide oversight and evaluation the County's claim costs and the subsequent impact of those costs on the County's total cost of risk.</li> <li>▪ Jenni conducts claims reviews and reserve analysis focusing on strategies for claims resolution and to ensure the accuracy of reserves; markets and implements workers' compensation and general liability claims programs; and assists in managing casualty losses and related claims expenses, primarily in the area of workers' compensation.</li> <li>▪ Her responsibilities include coordination and oversight of complex claims thorough resolution, design, and negotiation of claim service agreements with insurers and/or third-party claim administrators and negotiating with insurers to obtain favorable results in the event of a coverage dispute.</li> <li>▪ 21+ years of industry experience.</li> <li>▪ Jenni holds a Texas WV Adjuster License, Construction Risk Insurance Specialist (CRIS) designation, and has an OSHA 10-Hour designation</li> </ul>
<p><b>Camille Rogers</b> <i>Environmental Risk Mitigation Specialist</i></p>	<ul style="list-style-type: none"> <li>▪ Responsible for protecting our customers against environmental related exposures, by offering a full range of environmental liability solutions ranging from traditional risk transfer for operational exposures to custom structured programs for complex M&amp;A transactions.</li> <li>▪ Assists the client service team by developing a client risk management plan to address existing liabilities and crafting risk transfer and funding solutions to ensure that any environmental liabilities are properly covered</li> </ul>
<p><b>Merry Davis, CPCU</b> <i>CP, Executive and Professional Risk Solutions Practice</i></p>	<ul style="list-style-type: none"> <li>▪ Merry focuses on policy analysis, program design and marketing of the District's executive liability coverages.</li> <li>▪ 28+ years of industry experience.</li> <li>▪ She is a graduate of The University of the Texas at Austin, where she received a BBA in Risk Management and Insurance/Finance. She received her Chartered Property Casualty Underwriter (CPCU) designation in 1999.</li> </ul>
<p><b>Michael Zay</b> <i>Property Broker</i></p>	<ul style="list-style-type: none"> <li>▪ Michael is a Property Broker and is primarily focused on catastrophe modeling with AIR Touchtone. He also assists with property submissions and policy analysis.</li> </ul>

Service team member and title	Role and qualifications
	<ul style="list-style-type: none"> <li>▪ Michael worked as an Intern in the Summer of 2013 and then joined USI in June of 2017.</li> <li>▪ He earned his B.S. in Commerce and Business Administration from the University of Alabama in Tuscaloosa, Alabama. He graduated in December 2014 with a Specialization in Sales.</li> </ul>
<p><b>Chris Keller</b>  <i>Senior Vice President, Risk Management Casualty Marketing</i></p>	<ul style="list-style-type: none"> <li>▪ Chris specializes in the analysis of risk to design and place insurance programs and alternative risk transfer mechanisms to the commercial insurance industry.</li> <li>▪ 12 years of industry experience.</li> <li>▪ His focus is on reviewing and developing programs tailored to meet the individual needs of an ever-changing industry, offering not only property and casualty solutions, but financial, and captive alternatives as well.</li> <li>▪ Chris has a B.S. in Emergency Management and Administration with a focus on Risk Management, from the University of North Texas.</li> </ul>



Team bios provided in [Appendix III](#).

**5. Professional servicing capability; i.e., loss control, claims management, information storage systems, underwriting, exposure and hazard identification, etc.**

## LOSS CONTROL

### Risk control introduction

Loss prevention efforts are one of the most important investments an organization can make when building and sustaining an effective risk management program. Beyond a lower total cost of risk, an effective risk control program will have a significant impact on employee and client satisfaction, market reputation, and stability of earnings.

The most successful programs require proper attention is given to the engineering process, culture, and financial areas of the entity. An effective program must be able to match the technical aspects of risk control with the culture and business needs of the organization.

Our consulting team provides client services that helps ensure regulatory compliance, establish innovative loss reduction best practices, and assist management in developing and implementing engineering and management controls to combat loss potential. The services we offer are in a written action plan tailored to your specific needs and requirements.

### Expertise

Our risk control staff has demonstrated their skills repeatedly by implementing practical risk management solutions for our clients in a wide range of industry sectors as well as diverse technical fields. Clients have access to our comprehensive national network of experienced, knowledgeable resources to ensure they get the right solution. Areas of focus include:

- Risk evaluation, analysis, and benchmarking
- Performance measurement (Risk Performance Navigator)
- Workplace violence workshops
- Management training on risk control topics
- Safety program evaluation
- Culture-based safety
- Wellness program consultation
- Safety leadership workshops
- Ergonomic consulting
- Fleet safety consultation
- Property protection
- Emergency planning
- Client advocacy and coordination of carrier services
- Risk Management Information Systems (RMIS) solutions

Our risk consultants may hold the following certifications:

- ALCM (Associate in Loss Control Management)
- ARM (Associate in Risk Management)
- CBCP (Certified Business Continuity Planner)
- CFPE (Certified Fire Protection Engineer)
- CIE (Certified Industrial Ergonomist)
- CIH (Certified Industrial Hygienist)
- CISR (Certified Insurance Services Representative)
- CPCU (Certified Property and Casualty Underwriter)
- CPE (Certified Professional Ergonomist)
- CSHM (Certified Safety and Health Manager)
- CSP (Certified Safety Professional)
- OHST (Occupational Health and Safety Technologist)
- REHS (Registered Environmental Health Specialist)
- CHST (Construction Health and Safety Technician)

It is our goal to work with you to develop specific programs designed to address historical claim trends or identify new trends which may develop. Some services designed to assist in these areas are outlined as follows.

### Workplace safety

**Ergonomics:** The consultants at USI collaborate with our clients to identify, target, and correct specific ergonomics issues and concerns. We focus on keeping your employees fit, working, and productive. We incorporate both engineering and administrative controls to reduce workplace risk factors and increase overall productivity. We assist our clients with designing/redesigning projects to create work areas that are best suited to the staff and work processes. Our consultants also offer a variety of trainings to educate the workforce on ergonomics principals and human factors. Our philosophy is to utilize basic ergonomics principles to reduce musculoskeletal disorders, improve the overall work processes, and increase productivity. Our ergonomics programs are geared to sustain the ergonomics effort after the consulting project has ended.

**Employee education and training:** Our risk consultants offer training to supplement our clients' written programs and initiatives. We have specific expertise creating customized programs to reinforce safe procedures in all operations. Our communications and training modules introduce and educate newly implemented policies and procedures, as well as reinforce and revitalize existing programs. We utilize multiple sources to deliver and support the programs. Our methods include brochures, payroll stuffers, posters, as well as formal training programs. Our formal training programs combine classroom/lecture with hands-on activities to maximize the effectiveness of adult learning. All communications and training programs are customized for each client and can be delivered as train-the-trainer models.

**Behavioral safety:** Our behavioral program minimizes work disruptions and utilizes positive reinforcement to modify undesirable behaviors. Our process enhances desired behaviors while reducing at-risk behaviors. We customize our behavioral service offerings to incorporate best practices in retail operations to address working with clients, back room storage practices, and other retail-specific operations. The results of behavioral programs are improved employee performance with reduced variability in work practices. Multiple studies have credited successful behavioral programs with significantly reducing employee accidents and related costs.

**Violence prevention:** We can assess physical security programs and procedures, create customized written policy, develop and conduct supervisor and manager training programs as well as employee seminars, and

develop pre-screening and hiring guidelines, including layoff and downsizing procedures. Our violence prevention program is fully customized to our clients' existing human resource and disciplinary policies.

**Life safety:** Our comprehensive life safety consulting services range from physical surveys, to evacuation procedures, to “you are here” maps. We can also assist clients with creating functional evacuation procedures and drills to test the effectiveness of these programs.

**Environmental:** The National Environmental Practice provides environmental expertise to a wide variety of clients — beyond the simple placement of environmental insurance. We prefer to be considered as an “outsourced” environmental risk manager for our clients and provide all appropriate environmental risk management services, including:

- **Risk identification/Quantification** – Almost all clients have environmental exposures through ownership or lease of real estate or through business operations. We assist service teams in identifying these exposures and in placing appropriate coverage.
- **Due diligence support** – We assist with addressing potential flaws or gaps in environmental due diligence.
- **Environmental insurance transactions** – We place pollution legal liability, contractors pollution liability (including wrap ups), environmental professional liability, product/pollution liability, combined general liability/pollution liability insurance, lender liability, and environmental surety.
- **We specialize in structuring comprehensive solutions for merger, acquisitions, and divestitures** – We support client activity by minimizing concerns of assuming environmental liabilities or by fencing in liabilities, providing cost effective alternatives to escrowed funds, and supplementing, replacing, or enhancing environmental indemnifications in transaction agreements.

**Business continuity planning:** We offer business continuity consulting to help clients maintain critical operations by systematically identifying critical business functions, prioritizing their impact to the business, and developing cost-effective recovery strategies to minimize disruptions to these operations. Our team has extensive experience with all aspects of business continuity from business recover to disaster recovery, from emergency response to crisis management. Our plans address seasonal issues, supply chain, provider/client agreements, and communications protocols. We also assist clients with plan maintenance and facilitate testing exercises.

**USI Risk Management Center (RMC):** We are committed to assisting our clients in reducing their total cost of risk. This cannot be achieved without influencing the behaviors of employees and training them in how to work safely. We now offer clients a free value-added solution — an online resource that can help them successfully develop and implement proactive risk management programs. Our value-added tool, Risk Management Center provides a comprehensive safety, wellness, claims, and human resources library and suite of software solutions to help our clients manage risk and reduce losses for a sustainable positive financial impact. RMC safety policies and programs are designed to create an awareness and respect for workplace hazards and reduce incidents, accidents, and associated costs. RMC's suite of software solutions includes:

- Sample policies and written programs
- Online power point training materials
- Quizzes and safety talks
- Incident tracker (OSHA Recordkeeping)
- Certificate of Insurance (COI) Tracking
- Training Tracker Learning Management System (LMS); Example: Active Shooter Online Training Program
- Audit Tracker with Automated Report Function
- Job Hazard Analysis Tools/Hazard Assessment Tool
- Safety Data Sheet (SDS) Management
- HR and Benefits Essentials
- Ask an expert direct link to contact USI's Risk Control Team with safety-related questions
- Streaming video library



You can view USI's **RMC portal** at: <http://www.usi.com/rmc/>  
**Risk Management Center video** overview: <https://cdn-rmc-video.succeedms.com/videos/19987/video.html>

**Note:** Access to this system is secure, but clients can be provided unlimited user passwords in decentralized environments. There are weekly training sessions on each module noted.

## Industrial Hygiene (IH)

We assist by providing site assessments to identify and evaluate occupational disease hazard potential: noise, airborne particulates, volatile organic compounds, and contaminants. More services may include:

- Indoor Air Quality (IAQ) and work environment complaint diagnostics (Phase 1) review
- Sampling plan development and coordination of hazard potentials.
- Holistic industrial hygiene programs
- Quantitative and qualitative exposure assessments
- Industrial hygiene training courses for your staff
- Blood borne pathogen training
- Respiratory protection program development and training
- On-staff Certified Industrial Hygienist to oversee/monitor industrial hygiene services
- Strategic partnership with outside industrial hygienists and laboratories to help resolve advanced issues when needed (i.e., mold/microbiological)

## Property consulting/Highly Protected Risk (HPR)

We are proud to offer our own staff of experienced in-house property risk control consultants who focus on providing strategic input and support to your corporate (domestic and global) property program. We also have strategic partnerships with vendors where more tactical property risk control services are needed. (i.e., regular inspection services in property and boiler and machinery). We align these complementary resources where appropriate to best deliver a complete solution in the most cost effective and efficient manner.

Our property risk consultants are advocates and advisors, partnering with our property brokerage staff and functioning as a guide to your risk management (or equivalent) staff. Our philosophy is that a strong property risk control program not only assist with decreasing property exposures and service interruptions but also, over the long-term, helps keep insurance premiums in check and increases long-term insurability.

## Compliance

### *Property risk identification/Site audits*

We help you meet your property risk management goals. We work closely with you to determine a long-term strategy on specific facilities, operations, etc. and the associated exposures that qualify for remediation tactics.

### *Carrier advocacy and alternative solutions*

Our consultants are well connected to the property risk control technical field, which is constantly changing. We consult with you and other stakeholders to explore alternative solutions which can help address a carrier recommendation at a much lower cost. We can also work to alleviate some recommendations for changes in codes and standards. We are highly focused on minimizing the total cost of risk of your insurance program and that includes capital expenditures on property protection.

### *Cost-benefit analysis*

We help you assess if the cost of compliance with property protection recommendations is economically feasible and practical. This is accomplished by assessing the actual exposure to your business in your terms and measuring the impact on upgrades that are intended to reduce the exposure to a risk.

### *Construction project fire protection services*

We assist with developing detailed fire protection and life safety specifications during a construction project and facility design. We work closely with the construction team and the architect design engineers to provide consultation relative to the building's design, construction, and materials. We also provide pre-construction surveys to evaluate water supplies, protection requirements, and natural hazard exposures.

### *General fire protection consulting*

We assist with evaluating assets and assessing loss scenarios to better enable you to protect and adequately insure your assets. Our services include: benchmarking valuations, analyzing loss expectancies, cost-benefit analysis, plan review, code dispute, and loss investigations. We conduct full interdependency studies and evaluate supply chain exposures and contingent business interruption exposures to determine vulnerabilities and solutions.

### *Property allocation*

We can create custom allocation methodologies for our client's property insurance programs. In addition to retentions, standard exposures, and location values, our allocation models can take into consideration other property factors including COPE (construction, occupancy, protection, and exposure) and local management's efforts in reducing their loss exposures. By providing rewards (and penalties) based on the reduction (or increase) in Normal Loss Expectancies (NLE) or Probable Maximum Losses (PML), managing the organization's property exposures can be financially rewarded.

### *Property schedule web portal*

Administering a property portfolio with global exposures is a daunting and potentially time-consuming task. Through our commitment to using technology to improve our client's workflow, our team can create an encrypted and secure web portal for local management to login and add, delete, and revise their individual property schedule. This provides our clients with a convenient and readily accessible method to ensure its property insurance schedule is complete and accurate.

## **Business continuity**

### *Keeping your business going after disaster strikes*

It's tough to keep a business running after it's struck by disaster. In fact, two out of five companies who have suffered such an experience go out of business within five years. Would yours survive?

It certainly could if you're properly prepared with a sound business continuity plan. It's all about identifying and protecting critical business functions in order to maintain an acceptable level of post-disaster operations. The difference between staying in business and being forced to close the doors is finding a way to keep going while the effects of the disaster are remedied.

When you're facing adversity, an effective business continuity plan will:

- Keep your business functioning
- Help your reputation stay intact
- Help you maintain market share and shareholder value

- Most importantly, help preserve client satisfaction levels

Our services include:

- On a pre-loss basis we will help the County identify their exposure to loss and match them with resources.
- In a natural disaster situation, we would align the County with an Independent Adjuster and various contractors that will mitigate the down time.
- From a pre-loss measure, we would have a public relations firm identified and aligned with any insurance coverage provided, processes, and procedures for working with police agencies, victim identification, setting up family centers, a bio-hazard clean up firm identified, etc.
- We perform a coverage gap analysis in advance to identify any coverage deficiencies or potential coverage issues.
- At the time of a CAT loss (natural, severe fatality, or workplace violence/active shooter), we have a CAT Response team that will deploy immediately to help coordinate events in tandem with the County and the insurance carriers.
- Post-loss we will be involved in the coordination of helping to get the County's operations back-up and running quickly that includes working with an I/A, carrier, coverage analysis, vendor deployment, and TPA alignment.

## Fleet Team Services

Vehicle-related accidents are the leading cause of workplace fatalities and present risks to a business's reputation. To reduce our clients' exposures to insurable losses and regulatory penalties, we have aligned its risk control consulting resources to focus on on-road vehicle operation risk reduction. Consistent with other risk control offerings, our Fleet Team Services normally begin with assessment activities followed by support for improving client risk profiles. Selected service areas include:

- Create a DOT Fleet Safety policy
- Create an Accident Investigation policy
- Create an Accident Review policy
- Create a Company Cell Phone policy
- Create an Hours of Service policy
- Create a Vehicle Inspection policy
- Create a Cargo Handling policy
- Create a Defensive Driving policy
- Driver Fatigue
- DOT Supervisor Drug & Alcohol training
- Driver Customer Service
- Driver Eligibility Standards Driver/Employee Termination
- Create a company DVIR (Driver Vehicle Inspection Report)
- Create a Vehicle Breakdown and Road Repair policy
- Create a Driver Qualification and Hiring policy
- Create a DOT Drug & Alcohol policy
- Review Roadside inspection reports
- DOT Motor Carrier Record Retention
- Motor Carrier Internal Audit Checklist

Fleet Team Services offers our clients information on:

- Basic driver fitness overviews
- Basic HOS compliance reviews
- Basic controlled substance/alcohol reviews
- Basic unsafe driver overviews
- Basic vehicle maintenance overviews

Value-added services include:

- Monthly Fleet Team Services newsletters
- Email/updates for all our clients regarding FMCSA regulation changes
- Mock DOT audits

- Monitor SAFER, SMS, CAB reports for clients
- Resources for federal DOT regulations

*We become our client's part-time Fleet Manager*

We offer Driver qualification file management. There is a **\$6.00 per driver, per month fee**; however, for that fee we create all custom designed driver forms, monthly current driver reports, and audit reports. We also review current driver qualification files for correct forms and accuracy per DOT regulations.

Fleet Team Services is dedicated to providing an affordable approach to D.O.T. administrative services to reduce insurance premiums, driver downtime, and driver turnover.

## Environmental risk control

Success of any organization is not an accident. It is the result of careful planning, execution, measurement, and follow-up of management initiatives. Our Risk Advisory Practice measures our effectiveness in terms of reduction in the cost of risk, as well as the improvement of risk management quality. We are experienced in assisting our clients with designing and implementing a cohesive environmental risk control strategy.

Our primary role is to serve as strategic guides to our clients so that they can make informed decisions relative to the management of their environmental risk exposures. We serve to raise awareness of past, present, and future potential exposures generated by internal operations or risks associated with outside parties doing business in or around our clients' facilities and operations. We guide our clients on tactical measures utilizing technical resources from within our national network of risk control consultants as well as expert resources from qualified third-party environmental firms.

## Environmental risk evaluation process

The key component of our approach is the Environmental Risk Evaluation which serves to assist in the evaluation and assessment of past and present practices relative to exposure and control of water, air, and ground pollution risks. These evaluations have proven to be of significant value in helping our clients evaluate their environmental risks and determine what additional management measures are necessary to reduce or prevent environmental liability.

During our Environmental Risk Evaluation, we perform a systematic review of operational procedures to identify hazardous materials, waste streams, handling, storage and disposal practices, and other current environmental management programs.

### *Key elements of our environmental risk evaluation:*

- Review of written policies and procedures, operating practices, and all available documents relative to the handling, use, and disposal of hazardous materials
- Management interviews to assess the understanding of responsibilities expected to appropriately manage and control environmental exposures
- Survey facility operation(s) to observe and assess exposures and physical controls as well as feasibility of proposed recommendations
- Issue a management report intended to identify strengths and weaknesses of the overall environmental program, raise appropriate awareness of exposure to environmental liability, and make recommendations designed to address program deficiencies

## Environmental risk assessment

Similar to an Environmental Risk Evaluation, this service is targeted to showcase our clients in the best possible light to interested markets. We assist our client brokering teams in accurately presenting client operations, extent of exposures, mitigation efforts, program strengths, and plans for additional improvements to the underwriting markets.

Our assessment includes:

- Overview of operations
- Policies and procedures
- Company environmental policy
- Management commitment
- Roles and responsibilities
- Hazardous material use
- Above and underground storage
- Hazardous material transport
- Hazardous waste management
- Environmental impact analysis for air, land, water
- Emergency response
- Documentation review
- Surrounding exposures (residential, commercial, drinking water, surface water, ground water)
- Historical issues (EPA/state agencies, public claims, evidence of contamination based on studies, major leaks and spills, minor continuous leaks)
- Property remediation issues

*Network of third-party environmental consulting firms (sample list):*

- Bureau Veritas
- Veolia
- Versar
- Clean Harbors
- Environ
- FlagshipPDG

## CLAIMS ADVOCACY & CONSULTING

### Claims value statement

Our claims consulting teams are committed to the delivery of high impact advocacy and consultative services with the primary goal of optimizing outcomes in the event of a loss or claim. Our approach is to complement the County's claims efforts in a way that supports your overall risk management objectives by providing tangible value to your risk management team as well as to all internal and external stakeholders in the claims process.

From our perspective, effective claims management starts long before a claim occurs. We believe in a claims services delivery model that contemplates skilled resources at all levels to assist the County with the claims process and outcomes management. As you might expect, we work extensively with many carriers and claims administrators on a daily basis. Our long history with these companies positions us to network effectively on behalf of the clients we serve. We are knowledgeable about the claims service models, information systems, and talent levels on a branch, regional, and national basis.

We know from experience that assertive claims management is critical to your program since claim costs assist in driving overall program costs. We will serve to bridge any stagnant service issues or problems by leveraging our relationships with your administrator's senior management in order to improve your claims management program. We rely very heavily on risk management information systems (RMIS) for claims oversight. Maintaining access to these systems is a fundamental step in our approach.

We believe in a systematic approach to complementing your efforts. It all starts with a services installation meeting to coordinate and customize a service plan. We review and amend claims handling instructions so that we are appropriately embedded within your process. We consult with you on problematic and complex claims. We set an appropriate diary process on those designated claims to ensure adjusters are aggressively managing the files and following up on the recommended file resolution strategy.

Our claims consulting professionals are positioned to operate as an integral component of your risk management department. Our claims consulting practice associates have, on average, over 20 years of experience in all lines of insurance as industry claim managers, examiners, and analysts. We are unique in that our claims professionals are strategically deployed to serve on local service delivery teams in our regions yet linked to a national network to foster collaboration, continuous improvement, and innovation.

## Claims reporting installation

In order to facilitate an efficient and timely claim intake process, most insurance carriers and third-party administrators (TPAs) today offer web-based or 24 hours a day, seven days a week, telephonic claim reporting methods already embedded in the County's premium or administration costs. Therefore, we focus our efforts on installing the best methods available so that most of your claims can be directly reported to your insurance carrier or TPA. This ensures the claim handling process starts without delay. Our consultants help you establish turnkey claims processes focused on improving claim outcomes and financial expenditures. As needed, we consult with you to develop a comprehensive Claim Reporting Advisory Manual for your primary property and casualty coverage layer and we report and monitor designated claims for specialty lines and excess claims.

## Claim advocacy

It's often said that a broker actually earns its keep when there is a claim.

Our commitment to the County is to ensure that you receive prompt, fair, and equitable handling on your claims. We monitor the services of the insurer to ensure that you are receiving professional, quality service and to make sure that they are complying with the terms and conditions that have been negotiated on your behalf. We anticipate providing the following services:

- Establishing or enhancing your special account instructions for each line of business to ensure that communication protocols are clear for all stakeholders in the claims management process.
- Developing loss reporting procedures to ensure that all claims are reported in a timely manner with the appropriate information. Where applicable, we assist in preparing written notice of claims, losses, and lawsuits to insurance carriers.
- Advising on the presentation of your claims, including coverage reviews and development of proof of loss.
- Reviewing insurers' reservation of rights, denials, disclaimers, requests for non-waivers, and questions.
- Advocating and negotiating with insurers on disputed coverage issues to obtain favorable results.
- Assisting in identifying outside experts in various disciplines to provide forensic claim accounting, loss development, and evaluations.

- Monitoring and consulting on claims that involve high severity or adverse consequences to ensure proper investigation, aggressive management, and prompt resolution.
- Assisting with claim settlements and collecting insurance proceeds, including encouraging advance payments on large losses.
- Addressing claim administration performance issues.

### Complex casualty claims

Many claims are challenging and complex due to the incident facts or coverage issues that may arise. Having experienced claim resource advocates who can assist the County in addressing these challenges is extremely important to obtain optimal claim resolutions. We have developed a network of claims technical expertise and advocacy strategies that include the following services:

- Proficiency in reviewing specialty coverage line policies such as environmental, public officials and employee's liability (POL), errors & omissions (E&O), employment practices liability (EPL), crime and cyber.
- Policy interpretation, insurance research, written advocacy, and negotiation to resolve claim denials and adverse coverage allocation issues
- Clarification of reservations of rights and defense issues such as choice of counsel, conflicts of interest, independent counsel, and reimbursement of fees and expenses
- Resolution of insurance carrier disputes that may involve primary/excess or additional insured issues
- Contract review
- Establishment of relationships with insurance carrier's executive claims leaders to assist in resolving claim administration disagreements
- Placement guidance and policy form review

### Claims Consulting Services/Capabilities

As a standard practice, we meet with our clients at service implementation to customize claims service plans to meet their specific needs. We offer the County the following menu of services in the development of our client service plans:

#### Pre-loss consulting

- Assist clients in developing/enhancing claim management programs and processes based upon business needs, loss history, and management philosophy.
- Assist with identification and selection of the designated property adjustor.
- Perform claims data analytics to flush out trends and identify opportunities to guide us in our strategy.
- Develop specific programs and procedures to address the County's unique needs and ensure the effective management of all aspects of claims, i.e., disability management, return-to-work, and litigation management.
- Facilitate services installation including claim reporting training and claim reporting manual issuance.
- Evaluate claim management options such as insured plans, third-party administration programs, and self-administered programs.
- Provide guidance to help the County design performance metrics and gain sharing programs.
- Develop and/or revise special account instructions for insurers and/or third-party administrators to assure proper claim handling procedures and communication protocols including reserve advisories, settlement authority, litigation guidelines, and other services.
- When applicable, designate adjusting teams to improve claim communication and management.
- Educate and train managers, supervisors, and/or employees on claim reporting, the claim process, benefits, related costs, and newly adopted rules and regulations.

- Negotiate access to insurance carrier’s risk management information system (RMIS) and provide periodic claim reports based on the type and frequency.
- Collaborate with risk control and safety for pre-loss strategizing and planning.

### Post-loss advocacy and consulting

- Assist the County in evaluating claim strategies and maximizing insurance recoveries.
- Provide claim advice and assistance as needed; including resolving any claim handling performance issues that may arise.
- Advocate on the County’s behalf for timely resolution of claims including negotiating coverage issues where reservation of rights and coverage denials are received and, if necessary, escalating matters with the insurance carrier’s senior management.
- Conduct strategic claim reviews on a pre-determined frequency to ensure that insurers and/or third-party administrators are effectively managing claims and aggressively pursuing resolution.
- Conduct claim audits to evaluate insurers’ and/or third-party administrators’ performance relative to claim handling best practices and service specifications.
- Perform quantitative and qualitative loss data analysis including loss triangles and identify claim trends and opportunities for program improvement.
- Develop action plans on complex claims, high exposure claims, or high-profile claims and provide claim status reports regularly.
- Monitor claim reserving practices and negotiate claim reserve levels to reflect probable ultimate outcome.

### TPA Network security

As a part of our examination of TPA service capabilities, we assist the County with examining their RMIS and data security. We require TPAs to provide written confirmation of their compliance with HIPAA. We also require that they provide written confirmation their RMIS undergoes the following checks:

- Annual security audits;
- Attack and penetration testing;
- Examination of the security platform — multi-tiered defense and depth strategy;
- Email and internet traffic monitoring and URL filtered;
- Email data is encrypted specifically regarding social security numbers (no SSN data sent in plain text);
- Main servers are “locked down” and climate controlled with card key access;
- Third party SSL certificates — digital certificates used to establish a secure encrypted connection between a browser (user’s computer) and a server (website) — are installed on all outward facing servers; and
- The system is protected by intrusion prevention and detection systems:
  - Access is restricted by user IDs and passwords
  - An audit report can be provided with a log of all online data entry and/or updates showing user ID, date, and time

We can assist the County with developing additional data security requirements as requested. Part of our general process of reviewing TPA service performance will also be to examine RMIS security checks on an annual basis.

### Strategic Claim Reviews

With so much at stake in the outcome of a claim, a strategic claims review provides the County with the opportunity to take an active role in the claim process and thereby make informed decisions.

A strategic claims review can provide a CFO or Risk Manager (or designee) with a second opinion regarding reserves and help drive claim resolution strategies. The process reduces the potential for claims “falling

through the cracks” and being neglected by the carrier or TPA for an extended period. It also reduces the risk of financial surprises if reserves are under or overstated. This process is particularly important in our efforts to help the County manage outstanding posted collateral.

Our strategic claim reviews are planned and scheduled discussions with adjusting staff to assess claim handling performance and strategies with the goal of maximizing claim outcomes for our clients. Our methods include in-person meetings or teleconference reviews, depending on the needs and structure of the program. This process affects the closure of neglected files as well as aids in developing strategies to eliminate or cap the cost of claims with future financial exposures.

Claim number	Accident date	Claimant last name	Claimant first name	Benefit state	Accident type	Body part	Accident result	SRS coordinator	Claim status	TOTAL PAID*	TOTAL INCURRED*	Status report
123456WC01	2/10/1994	Smith	John	GA	Fall/Slip from a different level	Multiple body parts	Fracture	First Last Name	Open	\$ 3,417.62	\$ 6,984.92	XX y/o slipped and fell in parking lot resulting in broken L hip/L wrist/Swelling porstatic. Retired. 4% PPD (\$1,285). Not cost effective to settle as MSA likely higher than claim is worth. File mreains open for yearly f/u visits. IME has supported this treatment ee 1/2 on 1/27-15 - minor aches, walks with minimal limp. F/u 1 year post op.
98765-001	4/7/2014	Doe	Jane	TN	Cumulative (all other)	Ear(s)	Hearing loss or impairment	First Last Name	Open	\$ 7,388.73	\$ 7,421.15	Medical on file from Dr. X and Dr. X show that this hearing loss is unlikely the result of noise exposure. Judge in thise case is claimant oriented, so plan was to pursue settlement at \$10K. Went to 2/9 BRC.

### Claims auditing services

A claims file audit provides a more detailed assessment of how the claims administrator is performing compared to industry best practices and customized performance expectations established at program implementation. A claim audit can reduce the risk of financial surprises if reserves are under or overstated and provides the County recommendations for improvements to the overall claims service program. However, simply verifying reserve amounts is not enough. Ascertaining whether reserves are accurate and commensurate with the exposure and probable outcome of the claim is critical.

The key to a successful audit is to blend a quantitative score with a qualitative review. The claims audit will focus on the quality and consistency of the work, experience, and knowledge of the claims administration team.

Although claims administration providers emphasize performance standards and best practices, the County must be able to confirm the value of their involvement. With the potential for claims administration fees to run into the seven figures, an audit serves as a tool to verify that claim-related expenses are well managed. Claims handling standards are generally established in service agreements or contracts. An audit should measure the quality of services against the terms within the service agreement along with industry best practices.

There are many file management issues to address in the qualitative audit process. Each issue can be measured and graded so as to pinpoint any deficiencies in the claims handling process. These issues include, but are not limited to:

- Quality of initial contact and investigation
- File supervision
- Reserving accuracy and practices
- Litigation management
- Subrogation/risk transfer issues
- Settlement/negotiations
- General performance issues

In order to achieve the greatest level of consistency and efficiency, we have developed a web-based audit application to examine claims handling practices, review areas of improvement, and create outcome-based performance measurements. The application's categories examine each critical element of claims administration from claim set-up to final disposition. The application was also designed to allow for client customization.

By utilizing the web-based application to compile audit results throughout our organization, we can obtain an aggregate score for the County's claim services providers. We feel that this is a powerful tool to analyze past performance and plan for improvements in the claims handling process.

Our claims file audit process consists of:

- Customized best practice audit questions aimed at targeting specific claim administration performance concerns
- Comprehensive review of electronic and hard copy files for adjuster notes, payments, reserve, and diary histories
- Utilization of our web-based claim audit application to efficiently capture audit findings and produce a roll-up of scores
- Completion of a formal audit wrap-meeting with the client and claim administrator to discuss audit findings
- Complete review and response to any challenges of our audit findings
- Delivery of an executive summary report detailing our audit findings and concisely presenting recommendations for improvement
- Assistance with an implementation plan for performance improvement

Claims audit services will require additional fee for service and will depend upon the scope and depth of the audit.

### Property claims consulting

Property claims can represent an immediate and tangible stress on business and capital assets. These claims can be complex and involve complicated insurance programs with comprehensive coverage forms that can include obscure language. As such, we recognize that property claims are highly visible to the County's executive management teams.

The Property Claims Practice is comprised of a select team of highly qualified professionals from our national network of claim consultants. This designated team is strategically positioned to assist the County in the event of a large or catastrophic event. They provide complex first party property claims consulting and advocacy services to maximize policy benefits and ensure the most favorable outcome for our clients.

We utilize a three-phase approach:

Claim Audit Screen Print Sample

CLAIM DETAIL	
1. GENERAL INFORMATION	
# QUESTION	RESPONSE
1.1 Main Line of Coverage	WC
1.2 Claim Number	Claim number
1.3 Claimant Name	Claimant name
1.4 Date of Incident	9/8/2014
1.5 Date of Report	9/8/2014
1.6 Total Paid To Date	\$0
1.7 Total Reserve To Date	\$0
1.8 Total Recovery To Date	\$0
1.9 Total Incurred To Date	\$0
1.1 Auditor	
1.11 Location of Loss	
1.12 Claim Office	
1.13 Claim Service Provider	
1.14 Benefit/Value State	
1.15 Adjuster	
1.16 Accident Description	
1.17 Injury/Property Damage Description	
1.18 Claim Status	Open
1.19 Claim Type	Lost Time
Total Audit Score: 0.0%	
2. CLAIM ASSIGNMENT AND 2/3 POINT CONTACT	
# QUESTION	RESPONSE
2.1 Claimant contact within service standards?	N/A
2.2 Client contact within service standards?	N/A
2.3 Was claim assigned to the correct FGA segment based on the segment threshold descriptions and claim facts?	N/A
Section Score: 0.0%	
3. INVESTIGATION	
# QUESTION	RESPONSE
3.1 Was a recorded interview of claimant secured when appropriate?	N/A
3.2 Were recorded interviews of client's employees secured when appropriate?	N/A
3.3 Was a statement of facts secured from witnesses?	N/A
3.4 Were pictures and video obtained when appropriate?	N/A
3.5 Were medical releases promptly requested when appropriate?	N/A
3.6 Was a liability decision completed timely with the decision properly documented in the claim file?	N/A
3.7 If the liability decision has not been completed, has the adjuster identified what issues still need to be addressed to complete the decision?	N/A
Section Score: 0.0%	
4. RESERVING	
# QUESTION	RESPONSE
4.1 Reserve explanation adequate - worksheet of calculations completed?	N/A
4.2 Did adjuster evaluate reserves as new developments occurred?	N/A
4.3 Does the indemnity reserve reflect the most probable outcome based on the adjuster's rationale?	N/A
Section Score: 0.0%	

### *Phase 1 – Evaluate and plan*

- Review policy and outline coverage, limits, deductibles, and limitations
- Establish communication protocols
- Advise on accounting procedures for capturing loss detail

### *Phase 2 – Claim preparation and submission*

- Assist in tracking and documenting all property damage claimed (repairs, inventory, etc.)
- Submit claim to carrier
- Monitor timeline for claim process

### *Phase 3 – Adjustment and settlement*

- Respond to insurer inquiries
- Prepare rebuttal analysis to respond to insurer differences
- Assist in final negotiations and settlement

## **Legacy claim closure projects**

We realize the economic ramifications that malingering and unmanaged claims can have on the County's outstanding liabilities. Utilizing insightful analytics, in-depth audit results, and aggressive claims management, we can mitigate these liabilities and assist in closing targeted claims as swiftly and economically as possible. The County needs an advocate who can leverage the marketplace and bridge the communication gap while at the same time providing the expertise and appropriate techniques to push these claims to resolution.

### *Potential direct and indirect savings*

Our methodology and focused claim closure processes have brought about significant savings ratios to our clients. Reductions to their outstanding reserves are often greater than 25% and file closings greater than 40%.

With the reductions in outstanding liabilities, our clients can anticipate:

- Reductions in their outstanding letters of credits or other collateral obligations
- Expanded capital for growth
- Discontinuance of loss development on closed claims

### *Tracking progress and results*

The scope of services includes, but is not limited to:

- Performing an online audit of all open files administered by the County's claims service provider to determine the strategic action plan in place, if any, and to classify the claims through a series of status codes.
- Compiling a target list of claims that have the greatest potential to resolve through accelerated and aggressive claims handling and monitoring.
- Scheduling a meeting with the appropriate claims service provider personnel to establish a collaborative relationship/team concept for the claims closure project, establish project expectations, and secure buy-in/support from senior management.
- Providing periodic reports tracking the financial progress of the targeted files and monthly activities associated with the reduction project.

Claimant name	State	Claim number	DOL	Comments	O/S reserve reduction
LAST, FIRST	IN	AA1234	04/18/1998	Settled for \$50,000. Closed.	(55,287.98)
LAST, FIRST	OH	BB5678	06/24/1983	Settled for \$150,000. Closed.	(234,550.33)
LAST, FIRST	VA	CC1234	02/01/1989	Settled for \$73,238. Open.	(119,541.74)
LAST, FIRST	AZ	DD5678	03/28/1997	Combination of medical and PPD payments paid. Open.	(5,005.09)
LAST, FIRST	MO	EE1234	03/09/1999	Settled for \$21,849.75. Closed.	(22,087.25)
LAST, FIRST	OR	FF5678	02/22/1997	Settled for \$33,000. Open.	(33,788.00)
LAST, FIRST	NE	GG1234	03/27/1998	All final payments made by Liberty. Closed.	(28,647.10)
LAST, FIRST	WA	HH5678	07/12/1994	Settled for \$76,019. Open.	(403,475.73)
LAST, FIRST	MN	II1234	12/15/1999	Settled for \$.00. Open	(29,181.85)
LAST, FIRST	TN	JJ5678	06/11/1982	No further medical treatment. Closed.	(13,087.23)
LAST, FIRST	OK	KK1234	06/22/1996	Due to lack of medical activity lowering reserves and waiting for final bills then will close.	(17,500.97)
LAST, FIRST	GA	LL5678	04/03/1996	Settled for \$5,000. Open.	(5,625.90)
Total					(967,779.17)

### Workers' Compensation Claims Solutions

We provide an innovative solution for clients who are interested in reducing workers compensation costs, but do not have the breadth of internal resources to develop and manage their program. Our Workers' Compensation Claims Solutions team can be engaged to manage the claim process in its entirety and help lower your total cost of risk (TCOR). Our turnkey approach includes:

- Assuming claim management responsibilities from report through resolution
- Marshalling modified duty return-to-work programs
- Maintaining OSHA recordkeeping and state compliance posting notices
- Creating advanced strategies to reduce the Experience Modification Factor (EMF)

In a typical workers compensation claims scenario, claims are reported directly to the insurance carrier. However, greater attention is generally given to claims that reach a certain financial threshold or are considered "problematic" claims. Through early intervention and constructive engagement, we get the claim off on the right foot, resulting in better managed medical care, quicker return to work, and more satisfied and productive employees.

Our clients can expect:

- Effective three-point contact with the employee, physician, and carrier/TPA
- Facilitation of injured employees to approved medical vendors
- Diligent oversight of insurance carrier/TPA protocols
- Active dialogue on claim progress with client
- Outcomes measurement

This service is available for an additional fee to be determined by the depth and breadth of the project scope.

### Litigation management consulting

Our approach to litigation cost management is aligned with the overall control of claims administration expenses. Our process is to establish turnkey communication protocols to make informed litigation decisions.

We assist with assessing and establishing clear litigation expense guidelines for all stakeholders involved in defense and legal activities. We examine defense counsel selection and retention policies/procedures, review controls in place to manage legal bills, establish measurements and scorecards to evaluate counsel performance and successful litigation results, examine processes to remove obstacles to concluding litigated cases expeditiously, and develop procedures for counsel engagements that include attorneys clearly understanding the County's business and most importantly, your litigation management philosophy.

### Claims process and gap assessments

Many organizations have developed internal departments for the management of their claims processes, either in the form of self-administered programs or to provide controls and oversight of claims intake and resolution. Questions often arise over whether or not established procedures and staffing are effective and beneficial for the success of the organization. We have developed a program assessment designed to work with your organization to determine if the claims management structure and processes being utilized are achieving the best results. Our assessment process evaluates:

- Adequacy of staffing levels
- Skill level and proficiency of the internal staff
- Claim intake process
- Working relationship with claim administrators (if applicable)
- Claim management philosophy
- Reserving and settlement practices
- Claim procedural manual
- Communication and interaction with claims staff and other departments
- Staff training and education
- Key performance measurements
- Working relationship with third-party vendors
- Litigation management procedures
- Claim information system utilization

Our methodology is to interview the County's key stakeholders in the claim management process and thoroughly examine established written protocols. Our end result will be to provide your organization with an accurate assessment that will identify any gaps in your program and note where your organization can improve claims management procedures.

## TECHNOLOGY

### Introducing USI Connect

At USI Insurance Services, we continually look for innovative products and value-added services to help make your job easier. As a result, we offer our clients a customized website that can become your first resource for time-saving risk management and OSHA resources whenever you need them. The **USI Connect** resource portal is your one-stop source for all your compliance, HR, wellness, and other insurance and business needs. It is provided to you at no additional cost.

#### With USI Connect you can:

- **Receive** breaking regulatory updates first, in an easy-to-understand format
- **Access** an online OSHA log, on-demand reporting, and additional OSHA resources
- **Source** thousands of easily searchable resources in one central online location, on topics including risk management, employee safety, loss control, workers compensation, and more
- **Communicate** with over 300,000 industry peers through an online forum to ask questions and share best practices
- **Participate** in risk management and coverage surveys to determine how you compare to other employers across the United States

We've partnered with a reputable company called Zywave to provide this portal. All the content is written by their team of experienced attorneys and professional writers, so you never have to worry about validating information again. The following will describe how USI Connect's resources can make your day easier.



## OSHA compliance

USI Connect helps you find everything you need to make sure you are compliant with OSHA regulations, from educational briefs written in plain language to FAQs.

### [OSHA log](#)

With our online tracking log, you'll always have your log up-to-date and be ready to report to OSHA — it even helps you determine if an incident is recordable. When ready, simply run and print a report.

### [OSHA tracking and analysis](#)

OSHA's tracking and analysis feature helps you easily track your company's incidents. Tracking can be utilized to compare year-to-year or by division, and to determine what injuries are most common. These important breakdowns identify trends which aid in implementing safety strategies.

## Workplace policies and forms

### [Safety manual](#)

Assembling a safety manual and gathering relevant policies can be a time-consuming task. The portal offers a wide range of sample policies; and there is also a comprehensive, customizable Safety Manual template available for download.

### [Common forms](#)

Get access to a number of forms, including return-to-work, claims, and many other job-specific forms.

## Industry-specific exposures and risks

Each industry has unique exposures, risks, and liabilities. The portal offers materials specific to your industry, including risk management education, coverage explanations, and employee safety resources.

## Connect with industry peers

Your job covers a wide range of issues and challenges — when a tough issue comes up, it can be useful to tap into someone who has experience with that specific situation. The USI Connect portal includes access to an online community forum with thousands of HR and risk management professionals from across the country — you can ask questions, share best practices, and get advice when you need another opinion.

## Create or maintain a safety program

Whether you're just getting started or need help maintaining an existing safety program, USI Connect has all the resources you need — from informational articles and comprehensive guides, to employee surveys.

### *Employee safety resources*

Access hundreds of employee-focused resources on a wide range of safety topics to help reinforce your safety culture and communicate important safety topics. Resources include flyers, newsletters, supervisor safety talks, posters, videos, and more.

### *Benchmark surveys*

See how your programs stack up to similar employers by checking out the benchmark surveys available in the portal, completed each quarter by thousands of employers across the country.

### *Workers compensation*

Many employers do not fully understand workers compensation and that there are actions they can take to drastically reduce their workers compensation costs. The portal offers a series of educational articles to inform you on these important topics. Also accessible are a return-to-work program and workers compensation state statutes to ensure you're in compliance with applicable regulations.

## Providing solutions

The USI Connect portal is designed with you in mind, combining efficiency with user-friendly tools to streamline your daily work tasks. You can receive only what is relevant by customizing your preferences, and it is available to you on-demand, 24 hours a day, seven days a week.

## USI Risk Management Center (RMC)

We are committed to assisting our clients in reducing their total cost of risk. This cannot be achieved without influencing the behaviors of employees and training them in how to work safely. We now offer clients a free value-added solution — an online resource that can help them successfully develop and implement proactive risk management programs. Our value-added tool, Risk Management Center provides a comprehensive safety, wellness, claims, and human resources library and suite of software solutions to help our clients manage risk and reduce losses for a sustainable positive financial impact. RMC safety policies and programs are designed to create an awareness and respect for workplace hazards and reduce incidents, accidents, and associated costs.

RMC's suite of software solutions includes:

- Sample policies and written programs
- Online power point training materials
- Quizzes and safety talks
- Incident tracker (OSHA Recordkeeping)
- Certificate of Insurance (COI) Tracking
- Training Tracker Learning Management System (LMS) Example: Active Shooter Online Training Program
- Audit Tracker with Automated Report Function
- Job Hazard Analysis Tools/Hazard Assessment Tool
- Safety Data Sheet (SDS) Management
- HR and Benefits Essentials
- Ask an expert direct link to contact USI's Risk Control Team with safety-related questions
- Streaming video library – 500 bilingual (Spanish and English) safety trainings



You can view USI's RMC portal at: <http://www.usi.com/rmc/>

Risk Management Center video overview: <https://cdn-rmc-video.succeedms.com/videos/29075/video.html>

**Note:** Access to this system is secure, but clients can be provided unlimited user passwords in decentralized environments. There are weekly training sessions on each module noted.

## Certificate of Insurance Tracker - COI Track®

COI Track turns certificate management into a desktop function allowing you to efficiently and effectively minimize risk by maintaining up-to-date vendor records. This helps your company minimize and avoid liability assumed from uninsured or under-insured vendors, contractors, suppliers, or tenants. The time to load individual certificates for the first time can range from 1-5 minutes depending on the level of detail desired to input into the system. Workflows may be established to allow certificate requests, expiring certificates, and non-compliant certificates to be easily batched together and managed simultaneously rather than one at a time saving significant time and resources. Reports on all aspects the certificate management process may be pulled in excel format with the simple click of a mouse.

## ERISK HUB

### Resources to help prevent and mitigate network and privacy breaches

We recognize the complex challenges our clients face relating to evolving privacy laws and regulations. In an effort to assist with these issues, we offer the eRisk Hub portal, a private web-based service to help manage data, cyber, and privacy risk.

Founded and managed by NetDiligence, a leading network risk assessment services company, the eRisk Hub contains information and technical resources to assist the County in the prevention and mitigation of network and privacy breaches. The eRisk Hub provides news, content, and services across a broad range of disciplines, including legal and regulatory compliance, IT security, privacy, disaster recovery and business continuity, computer forensics, and public relations.

The eRisk Hub will help the County answer the following questions which will help you respond to incidents more quickly and minimize exposure:

- How prepared are you?
- When/how should you report the breach?
- What help do you need to recover?
- Which providers are qualified and how do you contact them?

Key features of the eRisk Hub include:

- **Breach Coach™** – Our Breach Coach service, staffed by attorneys who are certified privacy professionals, provides immediate triage assistance in the event of a breach.
- **News center** – The news center keeps you up to date with cyber risk stories, security and compliance blogs, security news, risk management events, and helpful industry links.
- **Data Breach Calculator** – The Calculator estimates the cost of a data privacy incident accurately and realistically. It factors in data points like type of data compromised, the location of the data and if this was an organization’s first event.
- **Learning center** – The learning center contains best-practices articles and white papers written by leading technical and legal professionals on compliance, network security, privacy, and breach recovery.
- **eRisk resources directory** – From security consultants, to PCI (Payment Card Industry) and FACTA (Fair and Accurate Credit Transaction Act of 2003) specialists, to forensic investigators, to eDiscovery specialists, the eRisk resources directory helps you quickly find external resources with deep experience in pre- and post-breach disciplines. Information about their services, pricing, and key personnel is provided.

**There is no cost to our clients for the use of eRisk Hub.** A two-week trial period can be arranged for prospects at an appropriate time.

## RISK DATA ANALYTICS AND TECHNOLOGY CONSULTING

### Analytic consulting services

The analytics consulting team provides analytical consulting for risk management clients. Services include loss forecasting and accrual studies, risk retention analysis, program comparisons and cash flow modeling and cost of risk allocation all of which are included in our core services.

#### Analytics services

**Actuarial service** – USI has relationships with a variety of actuarial firms and can arrange for the requested services. In addition, we have the capability of providing analytical services that do not require an actuarial certification to assist the County in making decisions on their insurance programs, including review of retention/deductible limits, review of collateral requirements, analysis of alternative risk financing programs, and allocation systems along with loss forecasting.

**Cost allocation system** – USI has the capability to provide consultation and development of a cost allocation system. We will work with the County on defining the objectives of the allocation system, determining the coverages which will be included, and how the losses and expenses will be distributed among the various departments/entities. A cost allocation system becomes most effective if it has the ability to reward the organization with fewer claims and lower severities. We can design a model for you that is practical and easy to understand.

**Risk retention analysis** – By determining losses at various retention levels, management can select an optimum retention level, also influenced by the County’s appetite for risk. We quantify the potential variability to determine pessimistic case, and we compare premium savings versus expected losses with increased retentions.

**Program comparison and cash flow modeling** – To help the County determine the optimum insurance program for managing your capital and reducing fixed expenses, USI evaluates and compares alternative financing programs based on the following variables:

- Expected losses
- Fixed costs including administration, claims handling, loss control, risk management information systems, residual market changes, assessments, taxes, and other premiums

**Loss forecasting capabilities** include:

- Marketing – Providing financial justification to negotiate lower fixed costs
- Loss triangulation – Utilizing the County’s loss development history to calculate client-specific loss development factors
- Loss stratification – Illustrating working layer of losses to help determine appropriate retention levels
- Budgeting – Projecting future cost

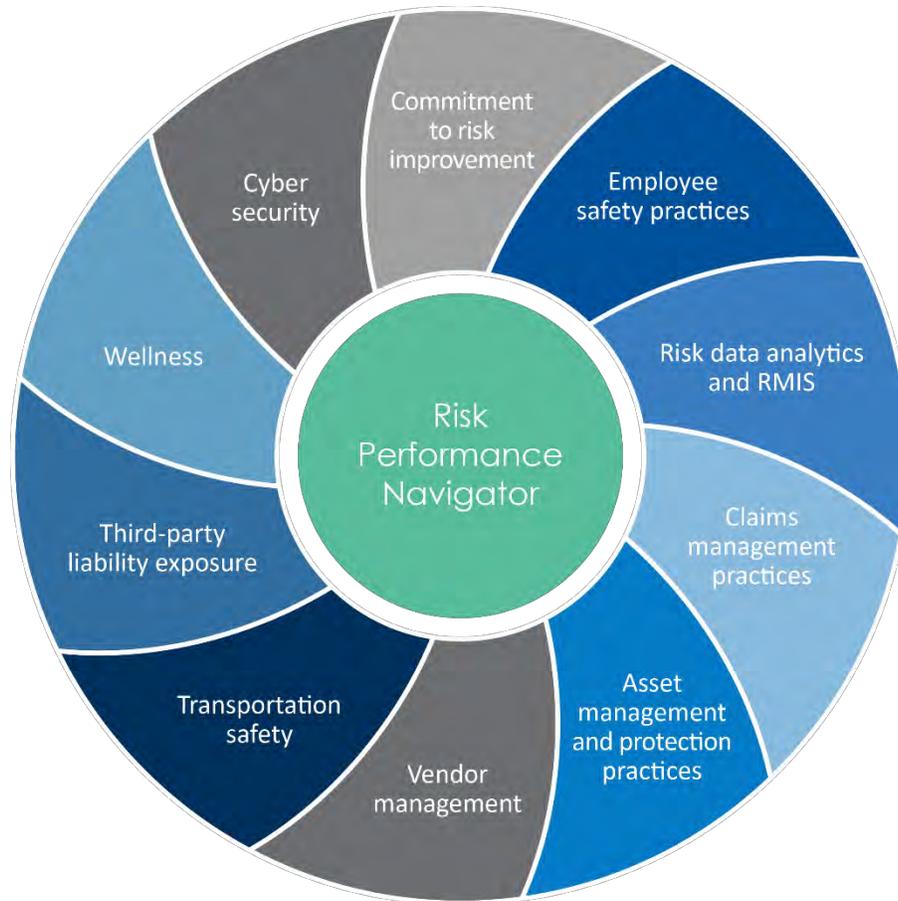
**Benchmarking** – In addition to the experience of our own account service team and the profiles of our existing clients in OMNI, USI has access to a variety of benchmarking information through Advisen, industry organizations, consulting firms, insurance companies, accounting firms, and law firms.

## RISK PERFORMANCE NAVIGATOR

We are committed to the promotion of best practices and risk management improvement that is tangible and measurable. In this regard, we have developed an assessment process we deploy to assist you with identifying opportunities to reduce, control, or eliminate exposure to risk and related claim costs.

- Focused on broader risk management areas and best practices, not just compliance
- Designed to be a detailed operational and functional analysis of your risk management organization
- Focused on exposing opportunities where you can reduce exposures and overall cost of risk and prioritize efforts to execute effectively on improvements

Risk Performance Navigator is a web-enabled diagnostic tool that leverages our proprietary risk management process to assess your overall risk management practices, culture, and operational activities. The assessment covers seven critical risk performance areas:



Risk Performance Navigator enables our firm to intelligently scale the organizational experience and knowledge of our risk management experts by automating aspects of the risk assessment and consulting processes. Benefits of automating data collection, risk analysis, and risk reporting include:

- Consistent and repeatable process that produces high quality situational-specific deliverables
- Ability to deliver real-time consultative reports
- Ability to benchmark risk performance and allow you to measure impacts of you risk management initiatives across the organization

The application leverages technology and design knowledge provided by Assessment Forge LLC, a Cambridge, Massachusetts company that focuses solely on automating business process assessments. Users can:

- Launch a smart web-based survey that follows USI sequencing logic
- Run powerful rules engines that analyze data to calculate risk scores and generate risk performance reports. Complex scoring and report generation algorithms are designed to simulate the thought process of our risk management consultants
- Compare your performance against best practice

## Risk Performance Navigator: Concept



This service is available for an additional fee to be determined by the depth and breadth of the project scope.

## TRAINING, EDUCATION, INDUSTRY TRENDS

### Keeping abreast of regulatory issues and trends affecting the company

USI team members stay abreast of changes and developments in the marketplace through: regular and on-going conversation with carriers, underwriters and other marketplace professionals; subscriptions to industry-specific periodicals and publications; continuing education courses, webinars and seminars; and membership and participation in industry-related groups, professional societies and trade associations.

We receive changes in pricing and underwriting guidelines directly from the carriers themselves. We augment this information with insights on claim or loss trends impacting appetite or discretionary pricing factors gleaned through the conversations we have with — and feedback we receive from — the clients we insure and renew annually.

### Keeping you informed: Training and education

#### Cutting edge research to stay on top of industry trends

Your designated service team will keep the County apprised of new and emerging developments we believe will create opportunities or challenges for you with respect to your risk programs, including concerns related to the relative financial condition of the insurers with whom we and our clients do business.

We will disseminate this information to you using an array of media based on your preference, including: phone, email, web, white papers and seminars. These communications will address topics such as risk management techniques, the state of the market, carrier solvency, new products, legislative and regulatory changes, emerging torts and best practices.



We issue quarterly client newsletters called “Insurance Insights – perspectives and insights to help you manage risks.” Our national resource groups and industry practice groups issue

Our National Risk Advisory Practice provides several **white papers and webinars** per year on the status of the insurance industry, industry-specific trends, risk optimization topics, alternative program structures, and other topics. These webinars are free of charge to clients and non-clients, and typically considerable time is allotted for a question and answer period.

USI also publishes a comprehensive **Market Outlook** by industry and line of coverage each year. Please visit our website at <https://www.usi.com/2020-insurance-market-outlook/> to review our 2020 Market Outlook.

Your team will have access to all of this information and will pass on items that are relevant or of interest to you.

## Industry trends

We regularly communicate with clients to update them on marketplace conditions. A market overview is included in our midyear stewardship allowing consideration of conditions leading up to renewal strategy discussion. USI maintains relationships with a broad array of insurers and monitors the financial condition of these insurers, which is communicated to clients for discussion and action where appropriate. In addition, we also monitor legal and political climates for issues that could impact our clients.

Our national marketing teams meet monthly to discuss trends in the marketplace. Participants provide both a national and regional scope and perspective. Specialists participate in national conference calls each month to review industry trends. Because USI takes a holistic approach to risk/benefit management, we have regularly scheduled internal “huddles” for each vertical for our clients in the Public Entity sector. A USI “huddle” is a collaboration across disciplines on a particular subject to study the issues relating to risk management and employee benefit solutions. We use this team-based consultative planning process throughout the year.

USI utilizes a variety of benchmarking tools including subscription-based products in conjunction with our insurance carrier and reinsurance partners, public information, and aggregated client information. We maintain subscriptions to various industry-specific periodicals and information services, such as Advisen, National Underwriter, Business Insurance, and International Risk Management Institute, which monitor and report on market and business trends. Additionally, our national resources are in-house subject matter experts; and USI service teams make this data available to clients through regular updates and stewardship meetings.

## CLIENT SATISFACTION

Delivering high-quality service to the County is a priority for all USI associates. We welcome and appreciate client feedback regarding overall satisfaction with the quality of our services and account management.

It is our responsibility to make certain that, through our consultants and technical resources, we are providing best-in-class service daily. The account team is always a call or click away if there is an immediate concern or issue.

We use various methods to measure client satisfaction including tracking client communications, projects, and follow up items depending on the needs of the County. This will help ensure timely servicing of your outstanding items.

The USI office provides a separate shared folder system for each client to keep all email transmittals with us in a central repository that is easily accessed by any member of the team. All communications requiring action items are added to the County's checklist as an action item. Items are calendared with follow-up dates and opportunities in Outlook and in our CRM platform. It is difficult for items to fall through a crack.

Throughout the year, we include Executive Stewardship as part of the scheduled reporting updates on our service calendars, timelines, solutions, and strategy meetings. The focus of this initiative is on providing the County with regular opportunities to touch base with our senior management team and deliver first-hand feedback regarding our performance.

## CONTRACT REVIEW

We understand that prompt and accurate review of your contracts is vital for the County to operate efficiently and effectively with its vendors and customers. We make contract review a high priority. We will fully engage and review all insurance related contracts, indemnifications, hold harmless and other agreements, documents, manuals, etc., as they pertain to your insurance program as part of our service fee. If needed, we have in-house legal advisors, but please note we are not licensed to practice law.

We can assist the County in designing a training session for your management and staff (property, purchasing, etc.) and any others involved with your contracts. We will identify and discuss areas of concern that must be referred to a higher level and those that could present problems. The face-to-face interaction is invaluable in efficiently and effectively handling this area.

### **6. Capability and willingness of agency resources to personally respond to the professional needs of the insured in a timely manner.**

Our client service model allows us to commit to:

- Acknowledge — and, if possible, resolve — 100% of the County's service requests within a 24-hour window.
- Address emergency or time-sensitive requests as soon as possible within that window.
- For service requests or outstanding concerns that will require more than one business day, escalate procedures through appropriate channels and provide the County status reports until timely resolution.

*USI is a "flat" organization with minimal bureaucracy. Unlike competitors, we do not utilize "service centers" that may be located remotely from clients, but instead perform all services for the County from our local office.*

Your dedicated service team in Southwest issues certificates of insurance and automobile ID cards, checks policy accuracy, and handles accounting issues locally — ensuring the highest degree of customization and performance.

Our brokerage team for the County coordinates overall service delivery and the day-to-day program administration, with the involvement of appropriate technicians to analyze your exposures to risk, negotiate with carriers, make recommendations, and implement as instructed. Each core team member has specific roles and responsibilities; we manage the County's duties internally to consistently provide the appropriate level of service. No individual's business travel, vacation, or unexpected absence will affect our results on your behalf.

As needed, your local core team will access an extended team of national practice leadership — local, regional, and national experts collaborating to provide technical advice, analytic tools, best practices, market relations, and product knowledge. National practice leaders are ready to provide strategic expertise in developing and implementing a program that meets the requirements for the County's complex risk management program.

The following outlines our traditional general areas of service we anticipate providing to the County.

- Summary of coverage: carriers, premiums, deductibles, limits, etc.
- Review of all in-force coverage by line of insurance
- Review and delivery of electronic policies
- Review and delivery of hardcopy policies
- Issuance of certificates of insurance/memorandums of insurance
- Issuance of automobile ID cards
- Risk analysis
- Answers to coverage questions
- Topical research/education/forums
- Client meetings – no anticipated limitation
- Open items meetings/calls
- Insurer meetings (as needed)

All the services outlined above are included as part of our account relationship. We have no restrictions on the number of client meetings we will conduct, but at a minimum, we anticipate several of the following:

- Kick off meeting at the beginning of our engagement
- Pre-Renewal meeting for all major renewals
- Insurer meetings during the renewal process and during the policy period to identify opportunities to improve existing or new relationships
- Meeting with our firm's senior management at least once per year
- Annual stewardship meeting
- Monthly open items meetings or conference calls (at your discretion)

The following will provide you with a brief overview of our service-related deliverables.

**Work plan:** We will develop, in conjunction with you, a comprehensive work plan that will include key placement timetables plus service milestones throughout the year.

**Placement planning sessions:** These sessions will provide USI and the County the opportunity to develop a strategic plan including form considerations, vendor selection, program design, structure innovations, retention analysis, etc.

**Program management services:** We will provide all customary brokerage services which will accomplish: timely and accurate issuance of binders, policy review and delivery, endorsement review and delivery, certificate issuance, pertinent industry and market information, accurate invoice delivery.

**Claims advocacy & consulting:** We mention our capabilities in this area in this particular response because it's our belief that to proactively anticipate underwriter's response in our renewal discussions; a thorough and

accurate understanding of current status of all claims, including estimates as to likelihood of prevailing settlement values and estimated timing of claim payment is helpful data in negotiating any renewal with current underwriters or new participants.

### Risk control services

- Determine the County's risk control needs and long-term strategy
- Determine carrier risk control objectives
- Coordinate, implement, and oversee carrier-based risk control services
- Provide feedback on carrier risk control site visit reports and recommendations/guidance on responses to carrier risk control recommendations
- Accompany carrier risk control specialists on project assignments (as needed)
- Develop and implement specified risk control programs/projects as needs arise (may be subject to additional compensation)

### Administrative services

The cornerstone to any successful and sustainable insurance risk management program is flawless service delivery. We are prepared to customize our services, so that the County's needs are met.

The following is a listing of our core day-to-day service deliverables included within the scope of our brokerage appointment.

### Brokerage services

- Respond to detailed coverage questions within 24 hours, or next business day
- Respond to all other coverage questions within the hour
- Assist in preparing all program applications
- Assist with coverage terms and conditions negotiations
- Arrange meetings and negotiate with underwriters
- Review and deliver insurance binders, policies, endorsements, premium audits, retroactive adjustments, etc. within the timeframe outlined in the service plan and client service agreement
- Provide premium allocation and invoicing in accordance with your needs (USI protocol — invoice all premiums accurately within 48 hours of terms being finalized and provide a detailed cover letter along with all invoices to facilitate better understanding and payment instructions)
- Oversee coverage dispute issues
- Provide Certificates of Insurance in accordance with your needs and customize where appropriate (USI protocol — 100% accuracy, 24 hours or less turnaround)
- Provide automobile identification cards in accordance with your needs and customize where appropriate (USI protocol — 100% accuracy, issued five (5) days prior to binding, immediate turnaround on requests post binding)
- Prepare Schedules of Insurance at inception, anniversary and updated as required
- Create and maintain a monthly open-items list, schedule monthly meetings (or as needed) to ensure quality continuing service throughout the plan year
- Prepare and deliver Stewardship report in a mutually agreed upon format
- Contractually-review insurance and indemnification provisions
- Conduct risk review of facilities for liability exposures
- Review policies and forward to the County within 60 days of receipt, correspond with carrier for correcting endorsements
- Obtain a list of all certificates of insurances provided to the County by contractors, subcontractors, vendors, and suppliers, if requested; and review upon receipt
- Conduct independent file review of selected policies (performed by a non-team member)

- Review carrier loss control recommendations, prioritize and develop alternative solutions
- Conduct research on special projects (claims issues, adequacy of limits, jury verdict polling)
- Provide casualty manuscript wording (as necessary)
- Provide in-house coverage education sessions (as necessary)

## Analytical services

- Develop benchmarking data on costs, retentions and limits
- Perform loss forecasts and accrual analysis
- Perform risk retention analysis
- Provide program comparison and cash flow modeling
- Provide cost of risk allocation strategies (as necessary)
- Perform collateral reduction analysis (as necessary)
- Administer merger and acquisition analysis (as necessary)
- Catastrophic claims investigation

## Coverage analyses

We will provide you with a full review of current policies to ensure that the broadest terms and conditions in the marketplace are included in your coverage. We will provide you with a policy summary by line of coverage highlighting essential terms and conditions. We will also identify any shortcomings in your policy coverage and advise you of solutions to mitigate those issues. Our local and national claims advocacy group will work closely with you to resolve any coverage disputes between you and your insurers.

### **7. Technical skills of staff with respect to insurance coverages and knowledge of certain internal risk management administrative considerations (insurance budgets, premium allocations, contractual risk transfer, legal trends, etc.).**

## Risk financing – Options that are appropriate for today and compatible for the future

Determining the optimal risk financing structure should be a recurring goal year-after-year and at the heart of the County's risk management function. Continuously we undertake a complete review of your programs and share with you our findings in the following areas: limits adequacy, program construction, carriers, program pricing and coverage quality. Coming out of this review will be a strategic plan to determine the optimal balance of risk transfer and retention.

Our analytics practice, working with your USI brokerage team, will provide a number of sophisticated tools to help you quantify the insurance decision making process. These services are embedded in our core service platform and include loss forecasting and accrual studies, root-cause analyses, collateral reduction analyses, risk retention analyses, program comparison and cash flow modeling, cost of risk allocations and risk bearing capacity analyses. More specifics in some of these areas:

**Risk retention analysis** – By determining losses at various retention levels, management can select an optimum retention level, also influenced by the County's appetite for risk. We quantify the potential variability to determine pessimistic case (95<sup>th</sup> percentile) and we compare premium savings versus expected losses with increased retentions.

**Program comparison and cash flow modeling** – To help you determine the optimum insurance program for managing your capital and reducing fixed expenses, we evaluate and compare alternative financing programs based on expected losses; fixed costs including administration, claims handling, loss control, risk

management information systems, residual market changes, assessments, taxes, and other premiums; projected costs; timing of cash flows; opportunity cost of capital.

**Cost allocation system** – USI has the capability to provide consultation and development of a cost allocation system. We will work with the County on defining the objectives of the allocation system, determining the coverages which will be included and how the losses and expenses will be distributed among the various departments/entities. A cost allocation system becomes most effective if it has the ability to reward for the organizations with fewer claims and lower severities. We can design a model for you that is practical and easy to understand.

**Alternative risk financing solutions** – When the traditional insurance market is unable to respond to a client's particular financial objective or insurance needs, our experienced alternative risk professionals work with the local offices and clients to identify and understand the client's objectives and custom-design innovative, non-traditional risk financing solutions to address these specific objectives. We offer clients alternative solutions to traditional insurance for a wide spectrum of companies:

- Single parent captives, segregated cell/rent-a-captives, risk retention groups, risk purchasing groups, and other risk financing vehicles
- Self-insurance feasibility analyses
- Multi-year/multi-line integrated risk
- Dual trigger programs
- Structured solutions, including finite risk transactions
- Collateral replacement alternatives
- Contingent capital
- Derivative products
- Loss portfolio transfers and liability buyouts

**Each proposer is therefore asked to submit a written addendum to his/her proposal which responds to this section ("Servicing Criteria") and which specifically identifies the names of personnel who will be responsible for servicing Webb County. The written addendum should include the qualifications and experiences of account executive personnel and technical support persons who will be directly responsible for servicing Webb County. A proposed plan should be clearly explained as to how you intend to deliver the requested services in a personalized and timely manner. Please use the Servicing Criteria Form, which appears at the end of Section I for responding to this item.**

# SERVICING CRITERIA FORM

Please use this form to respond to Items G and J of Section I. Each proposer must clearly and specifically address all of the criteria requested in these sections.

## FIRM NAME, ADDRESS, TELEPHONE

Local service office:

	Primary contact:	Secondary contact:
Company name:	USI Southwest, Inc.	USI Southwest, Inc.
Primary contact:	<b>Robert S. Bookhammer, ARM-P, CSRM</b>	<b>Lori Burson</b>
Title:	Senior Vice President, Public Sector Specialist	Senior Account Manager
Address:	14241 Dallas Parkway, Suite 700 Dallas, TX 75254	14241 Dallas Parkway, Suite 700 Dallas, TX 75254
Telephone:	972.737.6210	972.737.6219
Email:	<a href="mailto:bob.bookhammer@usi.com">bob.bookhammer@usi.com</a>	<a href="mailto:lorij.burson@usi.com">lorij.burson@usi.com</a>

Corporate office:

Company name:	USI Insurance Services
Address:	100 Summit Lake Drive, Suite 400 Valhalla, NY 10595
Telephone:	914.749.8500

## Public Sector – Specific details regarding services we provide

We know your public entity has its own distinct operating environment, sometimes with different departments pursuing different objectives. After all, you don't operate in a vacuum, and you can't always separate "risk" from "finance," no matter what the organizational chart says. We can help. Our **Public Entity Industry Segment** takes a holistic approach to managing your risk and can unite groups throughout your organization.

We take the time to understand your operations, culture, and strategic direction; then we tailor the right insurance and risk management solutions for your specific needs. From finance, human resources, and operations to safety personnel and road crews, we can help your internal teams speak the same language, achieve the same overall goals, and embrace an integrated risk management strategy.

## Risk solutions for all facets of the public sector

Whether you're concerned about employment-related litigation, emerging cyber risks, or the impact of environmental legislation, we understand the risks unique to your industry. We have an extensive track record of working successfully with state, county, municipal government and public agencies, utility districts, school districts, and nonprofit organizations to better manage risk and operate more efficiently.

As one of the largest insurance brokerage firms in the U.S., we have the market leverage to negotiate competitive rates, flexible terms, and excellent coverage options, including public officials professional liability, law enforcement liability, environmental liability, employee benefits, and much more. We also have a strong presence in risk-sharing pools and can provide access to broad coverage at competitive prices.

Available solutions for our public entity clients include:

- **Analysis and forecasting.** We will analyze your program, help you identify areas of concern, and develop a customized risk management plan. For high-value risk exposures, we can forecast your losses so you can make strategic business decisions.
- **Network security and data privacy.** Public entities warehouse an abundance of sensitive information, making them attractive targets for data privacy crimes. We provide access to coverage that helps protect you from claims related to data breaches, unauthorized access, identity theft, loss of portable electronics, and other technology risks.
- **Claims management and loss control.** We understand local laws that impact claims against public entities, so we can help you more effectively manage your liability costs. When you do have a claim, our dedicated claims service center will work on your behalf to swiftly achieve an optimal result.
- **Employee benefits.** We offer consulting services for benefits planning, cost control, employee advocacy, and ongoing plan administrative support. Our team works with inter-local governmental risk pools, cooperatives, trusts, bargaining groups, and insurance committees. We also help employers minimize Governmental Accounting Standards Board (GASB) and Other Post-Employment Benefits (OPEB) liabilities.
- **Employee safety training.** We offer access to web-based courses through Risk Management Center, a collection of approved Occupational Safety and Health Administration (OSHA) training courses on topics such as occupational safety, transportation, and environmental hazards.
- **Administration support.** CyberSure® eService, our proprietary, web-based portal, helps you organize your insurance information and streamline the administration of your property and casualty and employee benefits programs with efficient, paperless transactions.
- **Property protection consulting.** We assist our clients in evaluating risk to their assets and determining loss scenarios to better enable them to protect and adequately insure their assets. Services include benchmarking, analyzing loss experiences, cost-benefit analysis, plan review, code dispute, and loss investigations. We conduct interdependency studies and supply chain exposures to contingent business interruption exposures to determine vulnerabilities and solutions.
- **Business continuity services.** Our consultants will help you systematically identify critical business functions, prioritize their impact on the business, and develop cost-effective recovery strategies to minimize disruptions to these operations. Our plans address seasonal issues, supply chain, vendor and customer agreements, as well as communication protocols. We also assist clients with plan maintenance and facilitate testing exercises. Our business continuity practice group is comprised of certified consultants with specific expertise in operational recovery, disaster recovery, emergency response, and crisis management.
- **Surety bonds.** Our Surety Practice Group can help public entities to get the commercial surety bonds they need to grow. For public entity organizations, we take the time to understand your business, your goals, and your financials; then we develop a plan to help provide the surety capacity you need. Whether it's choosing the right surety providers, negotiating terms and conditions, or managing the day-to-day needs of your surety portfolio, we offer a complete suite of surety services.
- **Fleet.** We understand public entity fleet exposures. We have options to provide specialized coverage for your fleet. Whether it is through teaming up with our loss prevention team to develop and implement a safety platform, review your management controls and maintenance program, or assist in executing a driver training course; we have the knowledge and experience needed to assess and develop a program unique to your needs.
- **Environmental liability.** Drawing from extensive expertise of environmental exposures, we can review your operations and develop strategies to help you protect your assets.

Samples of ways we assist public entity clients include:

- Probable Maximum Loss (PML) studies to determine windstorm exposures and limit adequacy
- Contract reviews for insurance coverage and risk transfer verification
- Employing premium clout with markets for maximum leverage
- Loss exposure identification and analysis
- Recommending “best practices” protocol
- Benchmarking and strategic goal setting for continual improvement of our clients’ risk management programs

The following will outline our traditional general areas of service we anticipate providing to the County:

- Summary of coverage: carriers, premiums, deductibles, limits, etc.
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- Review and delivery of hardcopy policies
- Issuance of certificates of insurance/memorandums of insurance
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- Answers to coverage questions
- Topical research/education/forums
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- Insurer meetings during the renewal process and during the policy period to identify opportunities to improve existing or new relationships
- Meeting with our firms senior management at least once per year
- Annual stewardship meeting
- Monthly open items meetings or conference calls (at your discretion)

## USI Brings National Capabilities & Local Expertise

USI is a national insurance brokerage and consulting firm with approximately 200 local offices connected across the U.S. and a leading market position in all core businesses. The USI Dallas office has been serving the local community since 1946.

Leading National & Local Broker  
Approaching \$2B in Revenue



Commercial P&C | Employee Benefits | Personal Risk | Programs | Retirement Consulting

### USI's Southwest Region

- Over 600 insurance professionals with an average tenure of 10 years and specialists across a broad range of industries
- Dedicated regional property and casualty analytics, claims, risk control, environmental, international and Executive & Professional Risk Solutions (EPS) experts
- Revenue - \$215M
- Fourteen offices located in Arizona, Louisiana, New Mexico, and Texas

### USI's Dallas Office

- Revenue - \$55M, 170 professionals
- Vertical market focus on public entity, manufacturing, distribution, transportation, real estate, construction, and energy clients



Local Consulting and Account Team	National Specialty Resource Teams	Hand-selected Team
<ul style="list-style-type: none"> <li>Relationships</li> <li>Service excellence</li> <li>Flexible locations</li> <li>Long-term goals</li> </ul>	<ul style="list-style-type: none"> <li>Thought leadership</li> <li>Intellectual capital</li> <li>Depth of talent</li> <li>Deep carrier relations</li> <li>Credentialed specialists</li> </ul>	<p>Our <b>balanced team approach</b> combines the <b>knowledge and experience</b> of national practice leaders with the <b>service excellence</b> of local insurance professionals to deliver <b>customized solutions</b>.</p>

## National Practice Groups

Our brokers are supported by National Practice Groups made up of expert brokers with knowledge of and experience with specific exposures. In order to capitalize on their specialty, we will use brokers in the following National Practice Groups to assist in our marketing efforts.

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Property and Casualty Practices	Risk Advisory Practices (Claims & Loss Control)
<ul style="list-style-type: none"> <li>▪ Alternative Risk and Captives</li> <li>▪ Analytics</li> <li>▪ Aviation</li> <li>▪ Casualty</li> <li>▪ Construction/Wraps Ups/Owner Contractor/Controlled Programs/Project Risk</li> <li>▪ Environmental</li> <li>▪ Property and Builders Risk</li> <li>▪ Risk Management segment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Complex Casualty Claims</li> <li>▪ Complex Property Claims</li> <li>▪ Fleet Team Services</li> <li>▪ Surety and Bonds</li> <li>▪ Commercial Surety</li> <li>▪ Construction/Contract Surety</li> <li>▪ Workers Compensation Claims Solutions</li> <li>▪ Workers Compensation</li> </ul>
International Practice	Professional Risk Practices
<ul style="list-style-type: none"> <li>▪ Property and Casualty</li> <li>▪ International Package Policy</li> <li>▪ Defense Base Act (DBA)</li> <li>▪ International Kidnap Ransom and Extortion (KRE)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Crime Insurance</li> <li>▪ Cyber Liability and Network Security</li> <li>▪ Employment Practices Liability</li> <li>▪ Fiduciary Liability</li> <li>▪ Kidnap, Ransom, and Extortion</li> <li>▪ Professional Liability</li> <li>▪ Professional Risk Claims</li> </ul>

## Specific Industries – National Industry Segments

Industry Segments	
<ul style="list-style-type: none"> <li>▪ Industrials</li> <li>▪ <b>Public Sector/Government/Education</b></li> <li>▪ Real Estate</li> <li>▪ Construction</li> <li>▪ Professional, Scientific, and Technology</li> </ul>	<ul style="list-style-type: none"> <li>▪ Hospitality/Consumer/Retail</li> <li>▪ Healthcare</li> <li>▪ Financial Institutions/Private Equity</li> <li>▪ Transportation</li> <li>▪ Tech, Media, and Telecommunication</li> </ul>

## Experience with handling public sector clients

Members of the proposed team have extensive public entity client expertise and we understand the balance that exists between “when to purchase insurance” and “when to self-insure.” Your team members help their clients implement risk management strategies like departmental cost allocation and incentive-based safety programs. They provide training for governmental employees (contractual risk transfer and claim reserving best practices) and help manage complex claims to successful settlement.

As a company, we have several industry sectors we focus on to deliver insurance products and services. Within the public sector, we handle all lines of property/casualty insurance, employee benefits, and bonds. This group represents clients who are county governments, cities and towns, public utilities, airports, bus/rail

transportation systems, and specialized governmental agencies representing law enforcement, joint power authorities, and school districts.



USI is committed to serving public sector clients. We support a national/regional public sector resource group to provide industry knowledge, market information, and assistance to the USI brokers who serve governmental entities throughout the country. We serve as broker for public entity clients at all levels, including state, municipal, public works, and public education.

With over 2,882 public sector clients, USI demonstrates the capacity to address the current and emerging needs of the County. Some public sector accounts handled by USI nationally include:

<p><b>Cities:</b></p> <ul style="list-style-type: none"> <li>City of Dallas</li> <li>City of El Paso</li> <li>City of Odessa</li> <li>City of Lubbock</li> <li>City of San Antonio</li> </ul>	<p><b>Counties:</b></p> <ul style="list-style-type: none"> <li>Collin County</li> <li>Webb County</li> <li>Ector County</li> </ul>
<p><b>Boards of education:</b></p> <ul style="list-style-type: none"> <li>Dallas ISD</li> <li>Plano ISD</li> <li>Katy ISD</li> <li>Lewisville ISD</li> </ul>	<p><b>Public works:</b></p> <ul style="list-style-type: none"> <li>Clayton County Water</li> <li>North Texas Municipal Water District</li> </ul>

Airports:	State programs:
<ul style="list-style-type: none"> <li>▪ Chicago O’Hare</li> <li>▪ Chicago Midway</li> <li>▪ Charlotte International</li> <li>▪ San Antonio International</li> </ul>	<ul style="list-style-type: none"> <li>▪ State of West Virginia</li> <li>▪ State of Nevada</li> </ul>

USI also has served the public sector for project specific engagements such as the following:

- Construction wrap-ups (Owner-Controlled Insurance Program)
- Claims audit (third party administrators)
- Loss control analysis
- Safety services – customized contracts to provide supplemental safety professionals to staff (outsourcing)
- Environmental due diligence
- Independent risk assessment
- Litigation management

Although our team reflects expertise in the public sector, our professionals also bring valuable experience in complex risks from a variety of industries, including but not limited to transportation, education, and manufacturing. We believe this breadth of experience (and solutions) will benefit the County.

Our public sector resource group networks with one another and draws on the group’s experience in a collaborative environment. Each month we have a public entity practice group conference call to discuss risk management trends, the public entity insurance marketplace, newly developed resources, and other issues relevant to our public entity clients. Team members in the public entity practice have been selected for their particular skill set in brokering, servicing, marketing, claims handling, and overall risk management capabilities. The work we do for our public sector clients encompasses a full range of risk management services, property, casualty, environmental, and management liability exposures.

## DAY-TO-DAY SERVICES AND TEAM RESPONSE

USI will provide day to day servicing under the leadership of **Robert Bookhammer, ARM-P, CSRM (Bob)**, Senior Vice President, Public Sector Specialist. Bob and his team will provide oversight and management of all claims and loss control activities.

Our service team has been handpicked based on their experience. Our account team is eager to provide focused service, from coverage requirements and the need for local policies, to placement, servicing, advice, regulatory alerts, and claim advocacy. Our team has the resources and in-depth experience and knowledge needed to support your risk management goals and directives, now and as you continue to grow.

**Robert S. Bookhammer, ARM-P, CSRM (Bob)** has been handling public entities for the past 38 years. To name a few Bob is currently the “Broker of Choice” for the City of San Antonio, Katy ISD, Dallas ISD, Collin County including many more. Robert coordinated the delivery of all services large risk public sector accounts require including but not limited to brokerage, risk management services, loss prevention, claims advocacy & consulting, metrics & analytics, loss projections and accrual analysis, total cost of risk (TCOR), property engineering services, coordination of carrier loss control efforts, safety training (on-site and on-line), participation in client safety conferences and presentations to the Board.

USI has the technical ability to design and implement a world class insurance program that will protect your employees, property, reputation, and balance sheet. What truly sets us apart from our competition is our

relentless focus on customer service. We are a networked team that is “always on.” When you need us, we are ready. Every principal team member has mobile access to voice and data communications, and we build redundancy into our team structure, so staff is readily available to offer support and service. In addition, USI provides cutting-edge technology platforms that greatly enhance the efficiency and effectiveness of the client relationship experience.

Accordingly, you will find that you are not limited to a defined number of annual hours for any area of servicing. Our commitment to you is to provide access to any and all appropriate resources within USI necessary to successfully design and implement the agreed upon plan. Our team takes great pride in responsive and timely communication, especially in emergencies.

## PROGRAM DESIGN AND IMPLEMENTATION

Good design and implementation of an effective insurance program depends on the quality of risk identification, quantification, and assessment of current controls, as well as plans to improve such controls going forward. These efforts enable us to get limits and breadth of coverage right. They also provide the facts that will support a great marketing story. We then apply some new tools to help us determine what the County’s optimal risk retention strategy should be and make sure we are getting good value for your premium investment — not just the best quote in the market.

Every year, we challenge all assumptions to test validity and inject any new conditions present within your organization or the insurance marketplace. This approach will ensure excellent results for the County — a responsive program that matches your evolving operations and current appetite for how best to treat risk.

We also take an integrated view of risk, i.e., rather than treating risks in silos, we look at the combined impact of multiple risks and design risk treatments that take advantage of portfolio effects and guard against risk aggregation. An integrated view of risks can provide insights that will result in superior program design.

There are three key components critical to creating competitive advantage:

1. Knowledge	2. Strategy	3. Execution
<ul style="list-style-type: none"> <li>▪ Knowledge of the County</li> <li>▪ Your risk appetite</li> <li>▪ Risk profile and analysis</li> <li>▪ Desired outcome</li> <li>▪ The insurance marketplace</li> <li>▪ Insurance carriers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Design</li> <li>▪ Developing the story</li> <li>▪ Accessing the market</li> <li>▪ Presentation to the markets</li> <li>▪ Timeline for the overall placement</li> <li>▪ Negotiating strategy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Commitment to the County</li> <li>▪ Team ability and empowerment</li> <li>▪ Innovation and creativity</li> <li>▪ Effort</li> <li>▪ Focus</li> <li>▪ A disciplined process</li> </ul>

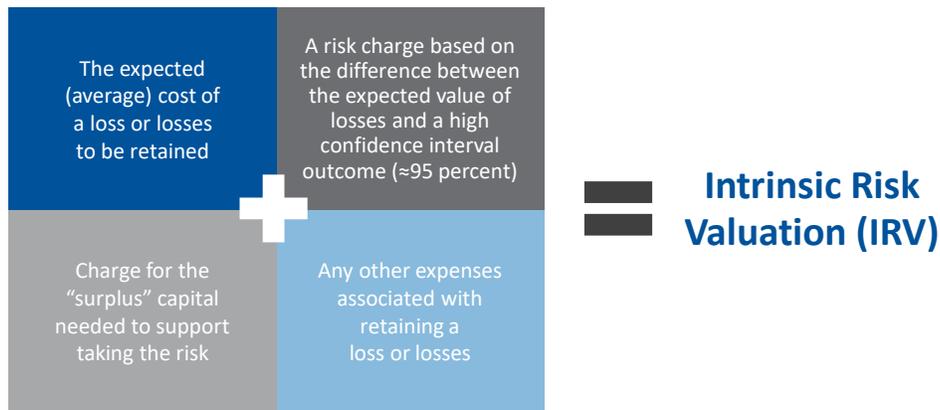
1. **Knowledge:** Understanding specific needs, knowledge of property and casualty products and services, creative risk management advice, alternative customized solutions, and objective evaluations are all essential to creating competitive advantage in the marketplace. A successful placement, and our ability to negotiate best price in combination with best coverage, is greatly enhanced when we educate our underwriters about the County. If underwriters have relevant information positioning the County as best-in-class compared to similar organizations, they can provide proper credits and offer broad coverage terms.
2. **Strategy:** Our approach is to utilize our knowledge of the County to create leverage between carriers. While we will always recommend continuity of a positive carrier relationship; however, that does not

mean that we cannot restructure layers, move carriers up and down in a program to find price efficiencies, or remove carriers that are not performing to our expectations or with the market. Ultimately, it is our job to provide the County with viable options — options that will be efficient on pricing and provide coverage benefits.

- 3. Execution:** The ability to secure the best pricing, value, desired levels of coverage, coordination of claims processing, and overall international capabilities are all dependent on proper execution. The County brokerage team represents the County directly to develop the optimal marketing/positioning strategy, define and negotiate the program, and drive claim resolution. We act with urgency on your behalf — and always in your best interests.

Most companies evaluate the purchase of insurance one risk at a time. The amount of risk to be retained by the company is most often weighed against the premium or other savings for assuming each risk. It is less common to find companies that make risk transfer/risk retention decisions based on their entire portfolio of insurance and other risk transfer solutions. Doing so, however, could help derive the greatest value from the County’s available risk bearing capacity or financial capacity and tolerance for taking risk.

This approach is known as Intrinsic Risk Valuation (IRV). The intrinsic value of each risk, or layer of risk, is defined as the company’s internal cost to retain, or self-insure the risk at breakeven over time.



With the intrinsic value established for each risk, or layers of risk, the County can evaluate the full range of risk solutions available. If a solution is found that is less costly than the intrinsic risk value, it would add economic value to the business to implement it versus retaining the risk. If all the solutions are more expensive than the intrinsic value, and the County has risk bearing capacity to assume the risk, doing so may be the most cost-effective solution.

Overall efficiency can be measured by looking at the IRV ratio, which is defined as the cost of each risk solution divided by the intrinsic value for that risk.

Scenario	IRV
Risk retained or insured via commercial insurance	1
Solution cost is < intrinsic value	<1
Solution cost is > intrinsic value	>1

By creating a risk index using the IRV ratios, it is possible to see which risks require the highest “premium” or surcharge over the intrinsic risk value. Available risk bearing capacity can then be allocated where it creates the greatest value for the business. Where multiple options are available, they can be compared on the basis of their IRV ratios. The best value is usually the solution with the lowest IRV ratio.

There can be several good reasons for companies to transfer risks at a ratio greater than one:

- Available risk bearing capacity has been exhausted and the company is forced to lay the risk off at a premium over what it would cost to retain it, or
- The risk may not be sufficiently well understood for the company to be comfortable retaining it.

The IRV ratio immediately identifies where value is being created and where we should work to find a better solution. For IRV to be effective, the County must have a good sense of your risk bearing capacity. It is often helpful for senior leaders to evaluate a series of benchmarks (hypothetical amounts of loss experienced in a given timeframe) that would result in well-defined business consequences (example — a downgrade in credit rating, breach of lending covenants, or delay in their ability to fund strategic objectives). With this continuum of benchmarks and clear business consequences, senior executives are better able to agree on a level of risk tolerance to effectively manage the business. This should be accompanied with an assessment of the company’s exposure to strategic and other uninsurable risks to determine if there is additional risk bearing capacity available to be used with risks for which risk transfer or other solutions are available.

IRV is a benchmark that keeps us focused on the relentless pursuit of cost and value. It assures you are receiving good value for your money, not just the best quote available in the market, and it makes the most productive use of the County’s risk bearing capacity.

## INSURANCE MARKETING AND PLACEMENT

We believe that while the broker’s market partnerships, marketing, and negotiation skills are important, the most powerful thing a broker can bring to the underwriting community is a client with a great story to tell.

We will focus our efforts 365 days a year on helping the County improve their risks and risk management practices to create a continuously improving set of facts that will support a great story every time we approach the market.

Our strategy for placing insurance is to start the process early and present a complete program proposal with options for consideration, well in advance of pre-determined deadlines and/or renewal dates. We provide a full review of proposed policies to ensure that the broadest terms and conditions in the marketplace are included in your coverage. Our detailed policy summary highlights essential terms and conditions. We also identify any shortcomings in your policy coverage and advise you of solutions to mitigate those issues.

Your USI account service team works collaboratively with our local brokerage and placement experts, as well as our national and regional resource groups, throughout all phases of the process. Our carrier selection effort is thorough and focused on matching you with carriers with a proven commitment to your industry. Each finalist must possess the proper underwriting, claims, and loss control experience, as well as broadness of coverage to ensure a comprehensive, competitively priced, and sustainable program.

Our primary responsibility and focus is to gain a clear understanding of the County’s short- and long-term goals, priorities, and expectations. This will enable us to evaluate the adequacy of your existing program structure, maximize cost-effectiveness, and formulate viable alternatives that will allow for growth commensurate with your plans.

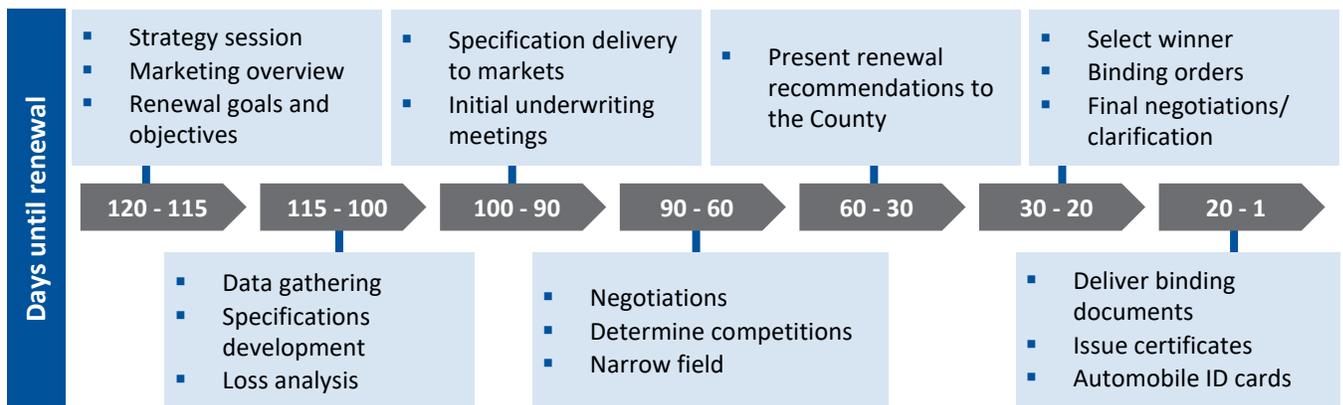
Once the risk analysis is complete, we will arrange discussions with the respective carriers (including face-to-face meetings as appropriate), including key executives and line underwriters, to present your account. In this initial phase, we focus on carriers with knowledge specific to your industry. This would include proven longevity and commitment to the Public Entity, claims and loss control, and coverage experience. Following the initial meetings, we eliminate carriers who do not meet the established criteria or have other constraints not aligned with your organization and develop a group of finalists.

Once the carrier finalists are identified, we strongly recommend a second round of meetings with the finalist carriers which would also include the County’s Risk Management and the USI account service members. We generally hold all meetings on one day, either at the USI offices, or if you prefer, your location. This step is extremely helpful in personalizing the account with the underwriters by giving them a clear understanding of your growth objectives, safety controls, risk tolerance, and what you expect from a carrier. This process also lends itself to relationship building between the County and the carriers.

Every year, we challenge all assumptions to test validity and inject any new conditions present within your organization or the insurance marketplace. This approach will ensure excellent results for the County — a responsive program that matches your evolving operations and current appetite for how best to treat risk.

### Marketing timeline

The following is a typical timeline we use as a minimum marketing standard as defined by our internal professional standards. However, this can be adjusted based on the needs of our clients. We understand that many clients typically require the renewal offerings be presented no later than 30 days prior to policy expiration. We would modify our timeline to accommodate the unique needs of the County. Furthermore, the renewal timeline — like our risk management relationship — is a fluid process and may need to change during the process. Our team is flexible enough to accommodate these changes, whether they are dictated by the County or the marketplace. The team will work with the County to ensure you are kept informed of the process and there are no surprises with the placement.



We will keep you advised of pricing and service trends, availability of markets, and the longer-term direction of the market year-round so we can continually adjust strategy to changing market conditions.

- 120 days prior to the renewal we will conduct a strategy session to review the upcoming renewal. During this meeting we will review with you current market conditions; capacity of markets; trends in not only pricing, but also current industry financial conditions that may affect future pricing; and longer-term trends.
- 120 days prior to renewal, we will help the County prepare comprehensive and effective underwriting presentations and plan marketing trips to be conducted with key U.S., European, and Bermuda markets.

- Provide underwriters with fully comprehensive underwriting information and specifications including complete engineering 60 days prior to renewal.
- Off cycle underwriter meetings at RIMS and other convenient times/places conducted in a private setting.

The County’s Account Service team has extensive insurance brokerage expertise on risk management accounts. Members of our team regularly work with key markets across the country and internationally. We keep our clients’ interests paramount. We do not use centralized brokering centers designed to funnel business to underwriters who will maximize our revenues. We have access to worldwide insurance markets and fully represent your interests to the most financially capable carriers that can meet your program objectives.

### Renewal and servicing timetable

The following timetable diagram is a typical schedule that we use as a minimum marketing standard as defined by our internal professional standards. We recognize that during this year’s renewal we need to accommodate the shortened timeframe and adjust the timetable in any manner so that it best meets your needs and requirements.

#### Sample Service Plan – the County Based on an anticipated renewal date of October 1

#### Yearly service and marketing calendar

Sample yearly service and marketing calendar timeline plan for client. Based on a November renewal date.	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
<b>Insurance programs – Renewal</b>												
Pre-renewal strategy meeting												
Develop submission/specifications												
Update/Modify client service instructions Continuous as needed												
Loss information updates, etc. Continuous as needed												
Information received from client (including audited financials and applications)												
Submission sent to market												
Underwriter meetings												
Certificate holder list provided for review												
Quotes due												
Renewal proposal												
Receive order to bind from client												
Program renewal												
Policies invoiced												
Provide coverage binders of insurance												

Sample yearly service and marketing calendar timeline plan for client. Based on a November renewal date.

	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Provide schedule of insurance												
Deliver policies												
<b>Key meetings</b>												
Risk updates												
Strategic risk planning/Pre-renewal												
Underwriter meetings												
Stewardship												
<b>Claims and risk control</b>												
Risk control visits as needed*												
Claims – Consulting, advocacy												
Provide claims handling instructions												
<b>Program administration</b>												
Open items – Monthly update*												
Certificates issued (Per renewal and as needed)												
Endorsements* – as required												
Contract review – Risk assessment												
Audit review and evaluation*												
<b>Strategy/Projects</b>												
Thought leadership – Risk strategies discussion – continuous*												
Educational sessions* – as requested												

# WEB COUNTY – CLAIMS SERVICES FORM

**WEBB COUNTY**  
**CLAIMS SERVICES FORM**

1. What is the location of the office that will be handling Webb County's account?

Dallas, Texas

---

---

2. Is there 24-hour claims service? All of our proposed carriers offer 24 hour claim reporting as does TriStar - the County's TPA

Yes       No

3. Will Webb County be consulted on the disposition of all claims over \$5,000?

Yes       No      Per claim instructions given to TPA

4. Will Webb County receive detailed quarterly loss runs which show each claimant's name, date of accident, description of injury, paid, reserved and total incurred losses by line of coverage and department, plus a summary of aggregate losses for each previous year in which you provided the coverage?      Upon request.

Yes       No

5. Please attach copies of claims reporting guidelines with which insured must comply and samples of all claims reporting forms used.  
Due to the number of quotes submitted, we will address on a carrier by carrier basis.

6. Please provide a description of the specific loss control services that will be available to Webb County, and indicate any additional fees for such services.  
USI will provide property & casualty loss prevention services, access to USI Connect

7. Please provide any additional information you feel would be relevant.  
Please review the Appendix in our proposal.

8. Please provide a specimen copy of your MIS Claims Report.  
USI doesn't provide loss runs. Carrier will provide loss runs in accordance with the above instructions.

6. cont. USI Risk Management Center (RMC), E-Risk Hub and all carrier provided resources at no additional charge.

# WEBB COUNTY PROPOSAL – RATING SUMMARY

**WEBB COUNTY**

**PROPOSAL RATING SUMMARY**

This form is for use by the County. Proposers, please enter your name in the space provided. **Do not complete anything else on this form.** Thank you.

**Name of Proposer:** USI Southwest, Inc.

<b>Criteria</b>	<b>Points</b>
Qualifications + Service Capability + Resources: (20)	
Insurer Financial Integrity/Insurance Coverages: (40)	
Cost: (40)	
<b>Total Points</b>	

Proposal Recommendations: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Justifications: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

# PROPOSAL FORM

**PROPOSAL FORM**

**APPLICABLE TO ALL LINES OF COVERAGE**

PLEASE INDICATE IF EACH PROPOSED POLICY INCLUDES THE FOLLOWING:

- 1. Named Insured as outlined in Section II, 1.   X   Yes      No
- 2. Effective date of insurance program is October 1, 2020   X   Yes      No
- 3. Sixty-day cancellation and non-renewal notice   X   Yes      No
- 4. Notice of claims provisions as outlined in Section II, 3.b   X   Yes      No
- 5. Failure to disclose provision as outlined in Section II, 3.c   X   Yes      No
- 6. Automatic coverage for new organizations per Section II, 3.d   X   Yes      No
- 7. Indicate term of program(s) quoted (1-year or 3-year) and any special renewal provisions

Annual policy terms have been quoted

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- 8. Specify payment terms and any available installment plans \_\_\_\_\_

Annual pay plans have been quoted

\_\_\_\_\_

\_\_\_\_\_

- 9. Are specimen policy forms and endorsements included for **all** lines of insurance?   X   Yes      No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/26/2020  
Date

## SECTION III – PROPOSAL FORM FOR WC TPA ADMINISTRATIVE SERVICES

N/A

# EXCEPTION FORM FOR WC TPA ADMINISTRATIVE SERVICES

N/A

## SECTION III – PROPOSAL FORM FOR THIRD-PARTY LIABILITY ADMINISTRATIVE SERVICES

N/A

# EXCEPTION FORM FOR THIRD-PARTY LIABILITY ADMINISTRATIVE SERVICES

N/A

# CONFLICT OF INTEREST

**CONFLICT OF INTEREST QUESTIONNAIRE**  
For vendor doing business with local governmental entity

**FORM CIQ**

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

**OFFICE USE ONLY**

Date Received

**1 Name of vendor who has a business relationship with local governmental entity.**

USI Southwest, Inc.

**2**  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3 Name of local government officer about whom the information is being disclosed.**

None

Name of Officer

**4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes  No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

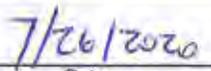
Yes  No

**5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

Not Applicable

**6**  Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**   
Signature of vendor doing business with the governmental entity

  
Date

# CODE OF ETHICS

**WEBB COUNTY PURCHASING DEPT.  
QUALIFIED PARTICIPATING VENDOR CODE OF ETHICS  
AFFIDAVIT FORM**

STATE OF TEXAS \*

KNOW ALL MEN BY THESE PRESENTS:

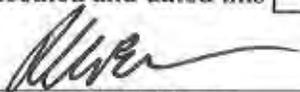
COUNTY OF WEBB \*

BEFORE ME the undersigned Notary Public, appeared Robert S. Bookhammer the herein-named "Affiant", who is a resident of Collin County, State of Texas and upon his/her respective oath, either individually and/or behalf of their respective company/entity, do hereby state that I have personal knowledge of the following facts, statements, matters, and/or other matters set forth herein are true and correct to the best of my knowledge.

*I personally, and/or in my respective authority/capacity on behalf of my company/entity do hereby confirm that I have reviewed and agree to fully comply with all the terms, duties, ethical policy obligations and/or conditions as required to be a qualified participating vendor with Webb County, Texas as set forth in the Webb County Purchasing Code of Ethics Policy posted at the following address: <http://www.webbcountytexas.gov/PurchasingAgent/PurchasingEthicsPolicy.pdf>*

*I personally, and/or in my respective authority/capacity on behalf of my company/entity do hereby further acknowledge, agree and understand that as a participating vendor with Webb County, Texas on any active solicitation/proposal/qualification that I and/or my company/entity failure to comply with the Code of Ethics policy may result in my and/or my company/entity disqualification, debarment or make void my contract awarded to me, my company/entity by Webb County. I agree to communicate with the Purchasing Agent or his designees should I have questions or concerns regarding this policy to ensure full compliance by contacting the Webb County Purchasing Dept. via telephone at (956) 523-4125 or e-mail to the Webb County Purchasing Agent to [joel@webbcountytexas.gov](mailto:joel@webbcountytexas.gov).*

Executed and dated this 29<sup>th</sup> day of July, 2020.

  
\_\_\_\_\_  
Signature of Affiant

Robert S. Bookhammer / USI Southwest, Inc.  
Printed Name of Affiant/Company/Entity

SWORN to and subscribed before me, this 29<sup>th</sup> day July, 2020



  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

# **PURCHASING CODE OF ETHICS POLICY WEBB COUNTY**



## **OFFICE OF THE WEBB COUNTY PURCHASING AGENT**

**APPROVED ON APRIL 19, 2018  
WEBB COUNTY PURCHASING BOARD**

**ADOPTED ON MAY 14, 2018  
WEBB COUNTY COMMISSIONERS COURT**

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1. **Purpose.**

Webb County (the “County”) requires ethical conduct from those who represent the County and those who do business with the County. County Procurement Employees and any County Official involved in the procurement process must discharge their duties impartially to assure fair and competitive access to governmental procurement by responsible vendors/contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Webb County Purchasing Department. County employees and Elected Officials will avoid the appearance of unethical or compromising practices in relationships, actions, and communications related to the procurement process. It is a breach of public trust to circumvent the County procurement process, whether by bribes, kickbacks, preferential treatment, or any other means. To promote ethical procurement practices, the County is adopting the Purchasing Code of Ethics herein.

2. **Statement of Purchasing Ethics Policy.**

It is the policy of the County to ensure that the following ethical principles govern the conduct of all individuals and entities involved in the County’s procurement process, including, but not limited to, solicitations for bids for goods or services, request for proposals (RFPs), and request for qualifications (RFQs). The County Purchasing Code of Ethics (“Code of Ethics”) shall be committed to and upheld by any individual engaged with this process. This Code of Ethics applies to the following parties:

- a) *Vendor.* Any individual or entity, or any individual’s or entity’s employees, agents, representatives, or any other individuals or entities acting on their behalf (whether paid or unpaid), not employed by the County but involved, directly or indirectly, currently or prospectively, in bidding or contracting with the County.
- b) *Procurement Professional.* Any County employee involved, directly or indirectly, with the development, preparation, solicitation, negotiation, evaluation, recommendation, approval of, or contracting of County purchasing projects. County Procurement Professionals include, but are not limited to, members of the County Purchasing Department, the head of the Purchasing Department (called herein the “Purchasing Agent”), members’ of the evaluation committee, county administrators, department heads, and staff.
- c) *Elected Official.* Any County elected official involved, directly or indirectly, with the development, preparation, solicitation, negotiation, evaluation, recommendation, approval of, or contracting of County purchasing projects. County Elected Officials may include, but are not limited to, the County Commissioners Court (the “Commissioners Court”), both County Commissioners and the County Judge, and any other County elected official.

3. **Active Solicitations**

A contract solicitation is considered active in terms of this Code of Ethics from the time it is posted publicly and after (a) the contract has been awarded by the Commissioners Court, (b) the contract is executed between the County and the winning respondent, or (c) the Commissioners Court determines not to go through with the solicitation, whichever represents the final act in any procurement process (an “Active Solicitation”). If the County withdraws a solicitation or rejects all responses with the stated intention to reissue the same or a similar solicitation for the same or a similar project (a “Related Solicitation”), the solicitation remains an Active Solicitation during the period between the withdrawal and the reissue. Whether a solicitation constitutes a related Solicitation will be determined at the discretion of the Purchasing Agent.

#### 4. **Conflicts of Interest**

Vendors, Procurement Professionals, and Elected Officials shall avoid any activities, transactions, contacts, or communications that compromise the interests of the County or the procurement process, or give the appearance of impropriety. Conflict of interests may include, but are not limited to, instances in which:

- a) Procurement Professionals, Elected Officials, or any of their respective relatives (which, for purposes of this Code of Ethics, shall include any person within a third degree of consanguinity or affinity, as defined in Chapter 573 of the Texas Government Code), significant others/partners, other close personal relations, business partners, staff, or other agents acting on their behalf, have an interest in, or are connected with, a contract or solicitation for the purchase of goods or services by the County;
- b) Vendors, Procurement Professionals, Elected Officials, or any of their respective relatives, significant others/partners, other close personal relations, business partners, staff, or other agents acting on their behalf, solicit, offer, give, accept, or receive anything of value (including a promise, obligation, loan, reward, gift, or compensation) to or from a person who is involved with, or intending to be involved with, whether directly or indirectly, a current or future contract or solicitation with the County;
- c) Procurement Professionals, Elected Officials, or any of their respective relatives, significant others/partners, other close personal relations, business partners, staff, or other agents acting on their behalf, are involved with a business or organization that has a financial interest in the outcome of any particular solicitation or contract selection process with the County;
- d) Procurement Professionals, Elected Officials, or any of their respective relatives, significant others/partners, other close personal relations, business partners, staff, or other agents acting on their behalf, are involved in negotiating for prospective employment, or are currently employed with, an individual, business, or organization that has a financial interest in the outcome of any particular solicitation or contract selection process.
- e) Vendors, Procurement Professionals, Elected Officials, or any of their respective relatives, significant others/partners, other close personal relations, business partners, staff, or other agents acting on their behalf, use confidential information (as defined in Section 11) acquired from the County for actual or anticipated gain or benefit in a current or future contract or solicitation with the County.

*Notice Required.* If a Vendor, Procurement Professional, or Elected Official obtains knowledge of a potential conflict of interest, that individual shall notify the Purchasing Agent in writing within five (5) business days after receiving such knowledge, unless circumstances (such as a pending vote on a solicitation by an evaluation committee or the awarding of a contract by the Commissioners Court and/or the Purchasing Department) require immediate notice. The County's Executive Administrator to the Commissioners Court shall be copied on the notice.

*Recusal.* If the Purchasing Agent (or, in the event that the Purchasing Agent may have a potential conflict of interest, the Commissioners Court) determines that a conflict of interest does exist, the conflicted individual must recuse himself or herself from the contract or procurement process and any related activities, including, but not limited to, any duties imposed by this Section.

*Conflict of Interest Questionnaire.* As required by Chapter 176 of the Texas Local Government Code, certain Vendors, Procurement Professionals, and Elected Officials are required to complete and file a Conflict of Interest Disclosure with the Purchasing Agent at 1110 Houston Street, Suite 101, Laredo, Texas 78040 ([form is available online](#)). It is the duty and responsibility of anyone required to file a Conflict of Interest Disclosure under Chapter 176 to keep this Disclosure up-to-date and accurate. Failure to do so may lead to disqualification from a contract or procurement process, and may void current contracts with the County.

*Disclosure of Interested Parties.* As required by Chapter 2252 of the Texas Government Code, Vendors who are awarded contracts by the Commissioners Court on or after January 1, 2016 must disclose a list of interested parties to the County before they are allowed to enter into the contract. The disclosure must include a list of any party who has a controlling interest in the Vendor or who actively participates in facilitating the contract or negotiating its terms. The [required 1295 form](#) can be down loaded from the Purchasing Agent’s website or can be down loaded from the Texas Ethics Commission site at [https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

5. **Gratuities**

Procurement Professionals and Elected Officials involved in the procurement decision-making process shall not solicit or accept money, loans, gifts, meals, entertainment, lodging, favors, offers of employment (for themselves or for other individuals or entities), promises, obligations, from Vendors that could influence or appear to influence a specific purchasing decision or a vote by any member of the governing body to support a contract with County. Generally, goods or services with a value of \$75 or less in the aggregate from a Vendor during a year do not violate this prohibition unless they influence or appear to influence a specific purchasing decision or the acceptance of those goods or services occur during an Active Solicitation Period. *The Purchasing Department has a strict no gift policy of any value of goods or service for employees who report directly to the Purchasing Agent.*

Notwithstanding the above, Elected Officials may (a) solicit and accept campaign contributions as allowable by Texas State law and this Code of Ethics, and (b) attend (except during the Active Solicitation Period) an association, civic, charitable, or community event sponsored in whole or in part by a Vendor.

When responding to an Active Solicitation, Vendors shall be required to disclose donations and campaign contributions by the Vendor or any individual or entity acting on the Vendor’s behalf to the Purchasing Agent or his designee made within six (6) months prior to the date of the Active Solicitation. Failure by a Vendor to accurately disclose such contributions may result in the Vendor’s disqualification, debarment, or contract voidance as per Section 20 below.

6. **Restricted Contact Period**

Vendors, Procurement Professionals, and Elected Officials shall not violate the Restricted Contact Period as set forth herein.

*Contact Person and Designated Representatives.* All active solicitations will include a designated contact person in the Purchasing Department and provide appropriate contact information for that person at the time the solicitation is issued (the “Contact Person”). All Vendor communications regarding the solicitation shall be to the Contact Person or the Contact Person’s designated representatives, as defined by the Contact Person on a question-by-question basis (the “Designated Representatives”).

*Restricted Contact Period.* The Restricted Contact Period for any solicitation shall be in effect during the time the solicitation is considered an Active Solicitation under this Code of Ethics (regardless of when a Vendor submits a proposal or bid for the solicitation). All Vendor communications including, but not limited to, questions, comments, requests for clarification, and general information requests, during the Restricted Contact Period, regarding any Active Solicitation, must be directed solely to the Contact Person and the Contact Person’s Designated Representatives (as defined by the Contact Person on a question-by-question basis). The Contact Person for any specific solicitation can be identified by visiting <https://webbcountyebid.ionwave.net/Login.aspx> to view the solicitation or the Restricted Contact List (as defined below) or by calling the Purchasing Department at (956) 523-4125.

*Violations.* Any communication by Vendors with any Procurement Professionals, Elected Officials, or any of their respective staff members, agents, or representatives (excluding the Contact Person and Designated Representatives), regarding an Active Solicitation, will be considered a violation of the Restricted Contact Period unless the Vendor receives express written permission from the Purchasing Agent or his designee.

It is not a violation of the Restricted Contact Period for Vendors to discuss an existing contract or business relationship not related to any Active Solicitation. However, communications between Vendors and Procurement Professionals and/or Elected Officials regarding Vendor qualifications, qualifications of other parties, past contract performance, or relevant experience could be deemed a violation of this rule if the Vendor is participating in, or considering participating in, an Active Solicitation. Prohibited communications include those initiated by the Vendor (or others on behalf of the Vendor), as well as Vendor responses to communications initiated by other parties.

Whether a violation of the Restricted Contact Period has occurred for an Active Solicitation is subject to the discretion of the Purchasing Agent. The Purchasing Agent will consult with County Legal Department to seek their legal opinion on a potential violation of this policy. Vendors (including any employees, agents, representatives, or any other individuals or entities acting on their behalf) that are found to have violated the Restricted Contact Period will be automatically disqualified from any Active Solicitation at the time of the violation and may be subject to debarment or contract voidance per Section 20 below. Disqualification, debarment, and/or contract voidance under this Section shall apply to those individuals or entities that committed the violation, as well as any individual or entity on whose behalf the violation occurred. If you are unsure, whether a potential contact or communication violates the Restricted Contact Period, contact the Purchasing Agent before that contact or communication occurs.

*Periodic Notification.* Notice of Active Solicitations subject to the Restricted Contact Period shall be provided periodically by the Purchasing Department to all Procurement Professionals and Elected Officials utilizing the electronic bidding system information and URL address/link to all active solicitations. Procurement Professionals and Elected Officials (except for the Contact Person and Designated Representatives) shall refrain from contacting Vendors regarding any Active Solicitation during the Restricted Contact Period. Communications between Vendors and Procurement Professionals related to an Active Solicitation will be in writing and posted online in accordance with the solicitation schedule for questions and answers.

## 7. **Lobbying**

Prior to engaging in any Lobbying Activities related to bidding or contracting with the County, Lobbyists should voluntarily file a Lobbyist Registration Form with the Purchasing Agent and provide a copy to any and all Elected Officials or County employees the Lobbyist intends to contact (the "Lobbyist Registration Form"). For purposes of this Code of Ethics, an individual is considered a Lobbyist (and therefore is engaging in Lobbying Activities) when that individual (or that individual's employer, entity, firm, association, or group) receives compensation, directly or indirectly, whether paid, received, or reimbursed, to communicate with an Elected Official or Procurement Professional on behalf of a Vendor in return for, or in connection with, that compensation.

*Lobbyist Registration Form.* The Lobbyist Registration Form shall include, but is not limited to, such information as the name of the Lobbyist (including the individual's name as well as the names of any individual, entity, firm, association, or group he or she is employed with and/or representing), the Lobbyist's client(s), the issue(s)/subject(s) which the Lobbyist anticipates discussing, and the Elected Official(s) and/or Purchasing Professional(s) that the Vendor intends to visit. The Lobbyist must submit a new form each time prior to engaging in any lobbying activity regarding bidding or contracting with the County, whether that activity is by person, through email, by phone, or otherwise.

The [Lobbyist Registration Form](#) is available online and can be submitted by mail or in person to the Purchasing Agent at 1110 Washington Street, Suite 101, Laredo, Texas 78040 or electronically to [joel@webbcountytx.gov](mailto:joel@webbcountytx.gov) received forms will be forwarded to the Commissioners Court and [posted online](#).

*Lobbyist Restricted Contact.* Lobbyists for Vendors shall not contact Procurement Professionals or Elected Officials regarding any Active Solicitation during the Restricted Contact Period except for the Contact Person or the Contact Person's Designated Representatives.

*Violations.* Lobbyists who, on a Vendor's behalf, contact a Procurement Professional or Elected Official regarding an Active Solicitation during the Restricted Contact Period (except for the Contact Person or the Contact Person's Designated Representatives) will be considered in violation of this Code of Ethics, and the Vendor will be automatically disqualified from any Active Solicitation(s) at the time of the violation and may be subject to debarment or contract voidance as per Section 20 below.

8. **Impartial Decision-Making and Perception**

It is the duty of Procurement Professionals and Elected Officials to discharge their duties impartially to assure fair competitive access to governmental procurement by responsible Vendors and to provide the greatest value possible to the County. Vendors, Procurement Professionals, and Elected Officials shall conduct themselves in such a manner as to foster public confidence in the integrity of the County and the County Purchasing Department. It is the goal of the County to avoid not only actual impropriety in the procurement process, but also any appearance of impropriety.

9. **Undue Influence**

Vendors, Procurement Professionals, and Elected Officials will not use arbitrary or unfair advantage or influence to cause a result (a) that is not in the best interest of the County or (b) to further the private interest of a Procurement Professional or Elected Official. Vendors, and any of their respective relatives (as defined herein), significant others/partners, other close personal relations, business partners, staff, or other agents acting on their behalf, that participate, on behalf of any Procurement Professional or Elected Official, in the development, preparation, or evaluation of any Active Solicitation, shall not be eligible to submit a proposal or bid on that Active Solicitation. *Exceptions to this rule will require a full disclosure conflict of interest form to be submitted prior to any informal solicitation and/or with the submittal of any bid / proposal package submitted electronically in accordance with formal solicitation rules and regulations. Exceptions as defined herein will be reviewed and approved or denied by the Webb County Purchasing Agent.*

10. **Equal Opportunity**

Procurement Professionals and Elected Officials shall select Vendors based on appropriate and fair criteria that afford all Vendors equal opportunity to compete for County contracts. It is the duty of Procurement Professionals and Elected Officials to use their best efforts to ensure that all segments of society are able to participate in County contracting processes by demonstrating support for, and encouraging the participation of, small, disadvantaged, and minority and women-owned businesses.

*Title VI.* Vendors, Procurement Professionals, and Elected Officials shall comply with Title VI of the Civil Rights Act of 1964 and related statutes, which ensure that no person shall, on the grounds of race, religion (where the primary objective of the financial assistance is to provide employment per 42 U.S.C. § 2000d-3), color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any County contracts, programs, or activities.

## 11. **Confidential Information**

During any contract or procurement process, certain confidential or proprietary information may be disclosed. Confidential Information includes any information that is disclosed from one party to another that is either (a) marked as being “confidential” or “proprietary,” (b) otherwise reasonably identifiable as being confidential or proprietary information, or (c) under the circumstances of the disclosure should be reasonably considered as confidential or proprietary information. Confidential Information includes, but is not limited to, responses to Active Solicitations and the evaluation process thereof.

*Treatment and Protection.* Vendors, Procurement Professionals, and Elected Officials shall take all measures necessary to ensure that any Confidential Information provided during any contract or procurement process is held in strict confidence, and is not disclosed unless necessary for the furtherance of the procurement or contracting process or otherwise required by law, rule, regulation, subpoena, or other court authority or governmental action. Confidential Information shall not be used for the actual or anticipated personal gain of any County employee, Procurement Professional or Elected Official.

## 12. **Professional Conduct**

Vendors, Procurement Professionals, and Elected Officials shall maintain high standards of honesty, integrity, and impartiality throughout the solicitation and contracting process, and shall conduct all contract and solicitation-related activities in accordance with any governing laws, regulations, and this Code of Ethics.

## 13. **Responsibility**

Vendors, Procurement Professionals, and Elected Officials must ensure that they, along with their agents, representatives, employees, and other representative individuals or entities, conduct themselves in compliance with this Code of Ethics to the best of their ability. Lack of knowledge will not be considered a defense to a violation of the Code of Ethics.

## 14. **Duty to Report**

It is the duty and obligation of Vendors, Procurement Professionals, and Elected Officials to report any potential or suspected Code of Ethics violations, whether personal or by a third party, to the County Purchasing Agent. Your report should include a reference to the Active Solicitation number at issue (if applicable). To report a potential violation by mail, send any relevant information to the Purchasing Agent at 1110 Washington Street, Suite 101, Laredo, Texas 78040. You can also report by visiting the office above, calling the Purchasing Office at (956) 523-4125, or emailing the Purchasing Agent at [joel@webbcountytx.gov](mailto:joel@webbcountytx.gov)

## 15. **Protest Procedures**

Vendors aggrieved in connection with a specific solicitation, evaluation, or the award of any bid, purchase order, or contract, may formally protest to the Purchasing Agent only if the Vendor has reason to believe that, with respect to a specific solicitation, (a) there was a material violation of state or federal statutory requirement, County Purchasing Department rules and regulations, or this Code of Ethics (including the Restricted Contact Period), or (b) the procurement process gave an unfair advantage or unfair disadvantage to one or more Vendors. Procurement processes that may give an unfair advantage or disadvantage to one or more Vendors include, but are not limited to, the following:

- a) The specification unfairly limits competition for no legitimate purpose;
- b) The contract award is compromised by improprieties in post-award negotiations;
- c) The evaluation factors or criteria are applied in a manner that is different than disclosed in the solicitation; and
- d) There are irregularities in the receipt or opening of solicitation responses.

Protests must be in written form and must contain the following information (if applicable):

- a) The protesting Vendor's name, address, telephone number, fax number, and email address;
- b) The identifying number of the solicitation and/or contract;
- c) The date the Vendor become aware of the facts forming the basis of the protest;
- d) A detailed statement of the factual grounds for the protest, including copies of any relevant documents or evidence and the statute, rule, or regulation that was violated, if applicable; and
- e) A sworn certification that the protest is brought in good faith and for good cause. If a protest is based on an ambiguity or a problem in a solicitation, and is made after the solicitation response deadline, it must also include a certification that the protesting Vendor was not aware of the ambiguity or problem (and did not have an opportunity to ask for clarification or a correction) before the solicitation response deadline.

Protests must timely raise all claims and describe the evidence supporting those claims with clear and concise details. Any claims that are not timely raised may be deemed invalid. In the event of a protest during a solicitation response period, a protesting Vendor who wishes to continue in the solicitation process during such protest must still submit a bid or proposal according to the rules set forth in the solicitation.

Protests, including any protest appeals requests, must be sent by mail to the Webb County Purchasing Agent at 1110 Washington Street, Suite 101, Laredo, Texas 78040 or email at [joel@webbcountytx.gov](mailto:joel@webbcountytx.gov). Mail-in requests must be postmarked and email requests must be received by the Purchasing Agent no later than (a) five (5) business days after the date that the protesting Vendor knew or should have known of the facts giving rise to the protest, or (b) before the contract is awarded, if the Vendor is aware of the facts giving rise to the protest prior to the contract award, whichever is earlier.

It is the responsibility of the Vendor to ensure that solicitation protests are delivered to the Purchasing Agent within the period stated herein. Protests that are late or delivered to an incorrect address or individual, or that otherwise do not comply with these rules (including providing the sworn certification as described above), will be declared invalid.

*Written Decision.* All protests will be initially reviewed by the Purchasing Agent, who must rule on the protest and provide a written decision, including the reasons for the decision and the decision date, to the protesting Vendor within five (5) business days (the "Written Decision"). Any appeal of the Written Decision must be made within five (5) business days of the receipt thereof.

*Appeals Process.* Appeals of the Written Decision should be sent to the Purchasing Agent at the address above, who shall notify the Appeals Committee, consisting of the Executive Administrator to the Court, the Webb County Auditor and one member of the Board of Judges. The Purchasing Agent shall serve as staff to the Appeals Committee and will be present at the Appeals Hearing. The protesting Vendor shall be notified of the time and place of the Appeals Hearing and will be provided an opportunity to present arguments. The documentary evidence at the Appeals Hearing is limited to the documentary evidence submitted for the original protest unless, for good cause shown, the Appeals

Committee grants authority for the protesting Vendor to provide additional documentary evidence. The protesting Vendor shall seek approval to submit additional documentary evidence for good cause as soon as possible, but no later than (a) five (5) days before the hearing. The request should include copies of the additional documents that the protesting Vendor seeks authority to use at the hearing. Copies of additional documents must be provided to the Purchasing Agent prior to Hearing date. The Appeals Committee may appoint an independent hearing examiner to conduct the hearing and provide a written recommendation, if needed. A written final decision, including the reasons for the final decision and the decision date, will be provided to the protesting Vendor within ten (10) business days of the Appeals Hearing (the "Final Decision") by the Appeals Committee. The Purchasing Agent will report the Final Decision to the Commissioners Court as an informative item.

*Solicitations and Contracts Pending.* Filing a protest under this Section will not trigger an automatic stay of any procurement process or contract award. It is in the discretion of the Purchasing Agent and the Commissioners Court whether to stay any procurement process or contract award with respect to any Vendor protest. Whether a stay is granted shall not compromise any protesting Vendor's right to the protest procedures outlined herein.

*Records.* Records of all protests, including the protest filed, related evidence, and any written and Final Decisions will be maintained by the Purchasing Department for a period of no less than three (3) years.

#### 16. **Training**

Procurement Professionals shall participate in regular training courses to ensure their knowledge and understanding of this Code of Ethics, as well as to enhance their skills, learn best practices, and better perform their duties related to contracting and contract solicitation.

#### 17. **Notice and Affidavit of Compliance**

A copy of this Code of Ethics shall be included with each public solicitation request. Vendors that submit a response to an Active Solicitation must include an Affidavit of Compliance with this Code of Ethics in order for the response to be eligible. Upon contract award, Vendors shall include a copy of this Code of Ethics as an attachment to any contract or subcontract awarded under a County contract. Procurement Professionals will be required to sign an Acknowledgement of this Code of Ethics, which will be kept in the employee's file, and once a year, or upon any updates or revisions, whichever is sooner, this Code of Ethics will be sent by the Purchasing Department to all Webb County employees and Elected Officials in a broadcast email. Copies of this Code of Ethics shall be available on the County Procurement [website](#) and at the County Purchasing Department at 1110 Washington Street, Suite 101, Laredo, Texas 78040.

#### 18. **Vendor Disqualification, Debarment, and Contract Voidance**

The Commissioners Court and the Purchasing Agent may disqualify or debar a Vendor, its partners, principals, members, directors, officers, responsible managing employees, agents, successors-in-interest, and other affiliates from bidding on or entering into contracts with the County (including participating as a sub-consultant or subcontractor, or providing goods, services, materials, equipment, or other benefits to any County project). Successors-in-interest include, but are not limited to, any person with interlocking management or ownership, identity of interests among relatives (as defined herein), shared facilities and equipment, common use of employees, or a business entity organized subsequent to the debarment or other action under this Section that has the same or similar management, ownership, or principal employees as the debarred Vendor.

*Disqualification.* A Vendor may be disqualified from submitting a bid or proposal on and/or competing for any Active Solicitation(s). Vendor's disqualification includes any Related Solicitations.

*Debarment.* A Vendor may be debarred from participating in the County procurement process and from signing any

new contracts with the County for a period of no more than three (3) years per violation. If a Vendor has been disqualified more than three times in a three-year period, the Vendor will be automatically debarred provided that the Vendor is given written notice and an opportunity for a hearing in advance of the debarment.

*Contract Voidance.* Any contracts awarded to a Vendor who is subsequently disqualified or debarred are voidable at the discretion of the Commissioners Court.

*Grounds.* The following actions constitute a nonexclusive list that may be grounds for disqualification, debarment, or voidance of a contract:

- a) Unsatisfactory performance of a contract or a history of unsatisfactory performance;
- b) Continued acceptance of goods, services, or Vendor performance under the contract that may constitute a hazard to health, safety, welfare, or property;
- c) Failure to provide contracted services or failure to comply with the terms and conditions of any contract;
- d) Refutation of an offer by failure to provide bonds, insurance, or other required certificates within a reasonable time period;
- e) Unwillingness to honor a binding bid;
- f) Knowingly and intentionally providing false information, whether during the procurement process or otherwise;
- g) Violation of the Restricted Contact Period;
- h) Violation of any other statute, rule, regulation, or order related to gifts, gratuities, favors, or bribes;
- i) Debarment by any other local, state, or federal governmental entity;
- j) Violation of this Code of Ethics;
- k) A finding of guilt, whether by verdict or plea or nolo contendere, to a felony or Class A or B misdemeanor for any violation involving charges of fraud, bribery, collusion, larceny, theft of services, coercion, conspiracy, payment of kickbacks, violation of antitrust laws, or any charges involving moral turpitude, or any other criminal act based on an intent to commit fraud in the procurement or performance of any governmental contract or to defraud any governmental entity in the provision of goods or services; or
- l) Commission of any of the above acts in any other contracting or procurement process with any other governmental entity (Federal, State or Local).

*Notice.* The Purchasing Agent will notify the Vendor by the most expeditious method available, including, but not limited to, telephone, e-mail, and fax, of the potential disqualification, debarment, or contract voidance. In addition to the most expeditious method, the Purchasing Agent shall also notify the Vendor in writing via certified mail, return receipt requested.

## 19. **Violations of the Code of Ethics**

The Purchasing Agent, subject to the Appeals Process as stated below, if applicable, will determine whether a violation of this Code of Ethics has occurred.

*Vendors.* A Vendor that is alleged to have violated the Code of Ethics will be (a) disqualified, debarred, and/or have its contract(s) voided as set forth in Section 20, or (b) subject to other disciplinary action deemed in the best interest of the County.

*Procurement Professionals.* A Procurement Professional who is found to have violated the Code of Ethics will be removed from all Active Solicitations and subject to discipline at the discretion of the Purchasing Agent. The Purchasing Board holds the same authority over the Purchasing Agent.

*Elected Officials.* Elected Officials who are found to have violated the Code of Ethics with respect to an Active Solicitation must recuse themselves from that Active Solicitation and may be subject to any other actions authorized by State and Local rules as the Commissioners Court deems advisable.

*Appeals Process.* Any appeals regarding violations of this Code of Ethics and/or any disciplinary actions taken as a result thereof shall be subject to the *Appeals Process* as described in Section 15 above. Appeals must be made within five (5) business days of receipt of notice of the decision, action, or inaction-giving rise to the appeal.

## 20. **Questions Regarding the Code of Ethics**

If a Vendor has a question regarding any provision in this Code of Ethics unrelated to an Active Solicitation, the Vendor should contact the Purchasing Agent. If a Vendor has a question regarding or relating to an Active Solicitation, the Vendor should contact the Contact Person or the Designated Representatives as per the Active Solicitation requirement. Questions from Procurement Professionals and Elected Officials regarding any provision in this Ethics Code should be directed to the Webb County Purchasing Agent.

## 21. **Other Laws/Policies**

If a conflict exists between this Code of Ethics and any federal or state statute, the stricter of the two provisions prevails. If this Code of Ethics conflicts with any County policy, the provisions in this policy control, including but not limited to any conflict with:

- a) Webb County Purchasing Manual;
- b) Webb County Personnel Policies;

## 22. **Remedies Cumulative**

The remedies provided for in this Code of Ethics are cumulative, and no action taken by the County constitutes an election by the County to pursue any remedy to the exclusion of any other remedy, whether provided by law, equity, statute, federal/state grant, or in any contract with the Vendor. This Code of Ethics is intended to be in addition and supplementary to other local, state, or federal law or grant requirements and shall not be construed to repeal any provisions of the Webb County Code/Policy.

23. **No Waiver**

The County's failure to exercise or delay in exercising any right, power or privilege under this Code of Ethics shall not operate as a waiver; nor shall any single or partial exercise of any right, power or privilege, by the County, preclude any other or further exercise thereof.

24. **Severability**

If any provision or any part of a provision of this Code of Ethics is determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable legal requirements, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provisions or parts of a provision of this Code of Ethics, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

25. **Effective date**

This Code of Ethics takes effect on May 14, 2018. The provisions of this Code apply to: a) transactions entered into after the effective date; b) events occurring after the effective date; c) renewals or extensions of current contracts after the effective date; and d) events occurring before the effective date, which give rise to a duty to report by any current Vendors, Procurement Professionals, or Elected Officials, as set forth in Sections 4 and 14.

# CERTIFICATION – REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION FOR COVERED CONTRACT

**CERTIFICATION**  
REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY  
EXCLUSION FOR COVERED CONTRACTS

**PART A.**

Federal Executive Orders 12549 and 12689 require the Texas Department of Agriculture (TDA) to screen each covered potential contractor to determine whether each has a right to obtain a contract in accordance with federal regulations on debarment, suspension, ineligibility, and voluntary exclusion. Each covered contractor must also screen each of its covered subcontractors.

In this certification "contractor" refers to both contractor and subcontractor; "contract" refers to both contract and subcontract.

By signing and submitting this certification the potential contractor accepts the following terms:

1. The certification herein below is a material representation of fact upon which reliance was placed when this contract was entered into. If it is later determined that the potential contractor knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the Department of Health and Human Services, United States Department of Agriculture or other federal department or agency, or the TDA may pursue available remedies, including suspension and/or debarment.
2. The potential contractor will provide immediate written notice to the person to which this certification is submitted if at any time the potential contractor learns that the certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
3. The words "covered contract", "debarred", "suspended", "ineligible", "participant", "person", "principal", "proposal", and "voluntarily excluded", as used in this certification have meanings based upon materials in the Definitions and Coverage sections of federal rules implementing Executive Order 12549. Usage is as defined in the attachment.
4. The potential contractor agrees by submitting this certification that, should the proposed covered contract be entered into, it will not knowingly enter into any subcontract with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department of Health and Human Services, United States Department of Agriculture or other federal department or agency, and/or the TDA, as applicable.

Do you have or do you anticipate having subcontractors under this proposed contract?

Yes

No

5. The potential contractor further agrees by submitting this certification that it will include this certification titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion for Covered Contracts" without modification, in all covered subcontracts and in solicitations for all covered subcontracts.
6. A contractor may rely upon a certification of a potential subcontractor that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless it knows that the certification is erroneous. A contractor must, at a minimum, obtain certifications from its covered subcontractors upon each subcontract's initiation and upon each renewal.
7. Nothing contained in all the foregoing will be construed to require establishment of a system of records in order to render in good faith the certification required by this certification document. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
8. Except for contracts authorized under paragraph 4 of these terms, if a contractor in a covered contract knowingly enters into a covered subcontract with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, Department of Health and Human Services, United States Department of Agriculture, or other federal department or agency, as applicable, and/or the TDA may pursue available remedies, including suspension and/or debarment.

**PART B. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION FOR COVERED CONTRACTS**

Indicate in the appropriate box which statement applies to the covered potential contractor:

- The potential contractor certifies, by submission of this certification, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any federal department or agency or by the State of Texas.
- The potential contractor is unable to certify to one or more of the terms in this certification. In this instance, the potential contractor must attach an explanation for each of the above terms to which he is unable to make certification. Attach the explanation(s) to this certification.

Name of Contractor	Vendor ID No. or Social Security No.	Program No.
USI Southwest, Inc.	76-0206321	

  
Signature of Authorized Representative

7/26/2020  
Date

Robert S. Bookhammer

Printed/Typed Name and Title of  
Authorized Representative

# CERTIFICATION REGARDING FEDERAL LOBBYING

**CERTIFICATION REGARDING FEDERAL LOBBYING**  
**(Certification for Contracts, Grants, Loans, and Cooperative Agreements)**

**PART A. PREAMBLE**

Federal legislation, Section 319 of Public Law 101-121 generally prohibits entities from using federally appropriated funds to lobby the executive or legislative branches of the federal government. Section 319 specifically requires disclosure of certain lobbying activities. A federal government-wide rule, "New Restrictions on Lobbying", published in the Federal Register, February 26, 1990, requires certification and disclosure in specific instances.

**PART B. CERTIFICATION**

This certification applies only to the instant federal action for which the certification is being obtained and is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$100,000 for each such failure.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with these federally funded contract, subcontract, subgrant, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions. (If needed, contact the Texas Department of Agriculture to obtain a copy of Standard Form-LLL.)

3. The undersigned shall require that the language of this certification be included in the award documents for all covered subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all covered subrecipients will certify and disclose accordingly.

Do you have or do you anticipate having covered subawards under this transaction?

Yes

No

Name of Contractor/Potential Contractor	Vendor ID No. or Social Security No.	Program No.
USI Southwest, Inc.	76-0206321	RFP 2020-09

Name of Authorized Representative	Title
Robert S. Bookhammer	Senior Vice President

  
\_\_\_\_\_  
Signature – Authorized Representative

  
\_\_\_\_\_  
Date

# PROOF OF NO DELINQUENT TAXES OWED TO WEBB COUNTY

PROOF OF NO DELINQUENT TAXES OWED TO WEBB COUNTY

Name Robert S. Bookhammer owes no delinquent property taxes to Webb County.

N/A owes no property taxes as a business in Webb County.  
(Business Name)

N/A owes no property taxes as a resident of Webb County.  
(Business Owner)

Robert S. Bookhammer   
Person who can attest to the above information

**\* SIGNED NOTORIZED DOCUMENT AND PROOF OF NO DELINQUENT TAXES TO WEBB COUNTY.**

The State of Texas  
County of Webb

Before me, a Notary Public, on this day personally appeared Robert S. Bookhammer, know to me (or proved to me on the oath of Robert S. Bookhammer to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 27<sup>th</sup> day of July 2020.

Notary Public, State of Texas

My commission expires the 21<sup>st</sup> day of August 2022



(Print name of Notary Public here)

Michael Bicknell



# DISCLOSURES

CONFIDENTIAL AND PROPRIETARY: This document and the information contained herein is confidential and proprietary information of USI Southwest, Inc. (“USI”). Recipient agrees not to copy, reproduce, or distribute this document, in whole or in part, without the prior written consent of USI. Estimates are illustrative given data limitation, may not be cumulative, and are subject to change based on carrier underwriting.

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## Compensation disclosure

### Information concerning our fees

As a licensed insurance producer, USI is authorized to confer with or advise our clients and prospective clients concerning substantive benefits, terms or conditions of insurance contracts, to sell insurance and to obtain insurance coverages for our clients. You have agreed to pay compensation to USI, for the placement of insurance, pursuant to a written agreement. We may also receive from insurers and insurance intermediaries (which may include USI affiliated companies) additional compensation (monetary and non-monetary) based in whole or in part on the insurance contract we sell, which is contingent on volume of business and/or profitability of insurance contracts we supply to them and/or other factors pursuant to agreements we may have with them relating to all or part of the business we place with those insurers or through those intermediaries. Some of these agreements with insurers and/or intermediaries include financial incentives for USI to grow its business or otherwise strengthen the distribution relationship with the insurer or intermediary. Such agreements may be in effect with one or more of the insurers with whom your insurance is placed, or with the insurance intermediary we use to place your insurance. You may obtain information about the nature and source of such compensation expected to be received by us, and, if applicable, compensation expected to be received on any alternative quotes pertinent to your placement upon your request.

# APPENDICES

# APPENDIX I – STATE OF TEXAS BUSINESS LICENSE



**General Lines Agency**

Life, Accident, Health and HMO, Property and Casualty

**USI SOUTHWEST INC**

PO BOX 218060

HOUSTON, TX 77218-8060

**is authorized to transact business as described above**

License No: 2255

Issue Date: 04-29-1987

Expiration Date: 01-29-2021

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<p><b>TEXAS</b> DEPARTMENT OF INSURANCE THIS IS TO CERTIFY THAT</p>		<p>IS HEREBY AUTHORIZED TO TRANSACT BUSINESS IN ACCORDANCE TO THE LICENSE DESCRIPTION SHOWN BELOW:</p>
<p>USI SOUTHWEST INC PO BOX 218060, HOUSTON, TX 77218-8060</p>		<p><b>General Lines Agency</b> Life, Accident, Health and HMO, Property and Casualty</p>
<p>LICENSE NUMBER: 2255</p>		<p>Issue Date: 04-29-1987      Expiration Date: 01-29-2021</p>
		<p>Generated by Sircon 185561031</p>

# APPENDIX II – E&O CERTIFICATE OF INSURANCE



# APPENDIX III – TEAM BIOS



# Robert S. Bookhammer III, ARM-P, CSRM

*Senior Sales Executive  
Property & Casualty*



Robert S. Bookhammer III is a senior vice president for the Insurance & Brokerage Consulting group in the USI Dallas office. He began his career in the insurance industry in 1982. Bob is a national subject matter specialist for the public entity and higher education segments of USI Insurance Services. Bob specializes in complex layered and quota share property placements, specific and aggregate excess casualty placements, risk management services, loss projections and accrual analysis, risk control services, and alternative risk transfer program design and placement.

USI is a top five retail insurance brokerage that provides financial and consulting services for a wide range of insurance products including comprehensive commercial insurance coverage, risk management services, loss prevention, claims, analytics, and international coverage.

Prior to joining USI, Bob was a senior vice president with a large regional insurance brokerage firm in Dallas where he served as a senior client executive. He targeted the upper middle market and lower risk management market business segments. Bob delivered statistical, technical, and claims oversight services for several multi-tenant captive and several other key clients.

Bob received his B.S. in Business Administration from the University of Florida. He is a licensed Risk Manager for the State of Texas. He is also an Associate in Risk Management (ARM), a Risk Management for Public Entities (RMPE 352), and a Certified School Risk Manager (CSRM).

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# Lori J. Burson

*Senior Account Manager*

*Property & Casualty*

Lori Burson recently joined USI as a Senior Account Manager and is based in the Dallas, Texas office. Lori's focus is in the middle to large market USI targeted industry verticals. Lori provides a consultative risk management approach for our clients. Lori's focus is to be an effective resource to our clients by offering timely insurance consulting and providing outstanding customer service.

Lori has 18+ years of experience working in the property & casualty insurance industry. She gained extensive experience with coverage, rate and premium negotiation while working closely with different carriers and building strong working relationships. Lori has experience working with traditional and alternative risk loss sensitive property and casualty insurance programs.

Lori is a graduate of Rio Salado College, AAS – Administration of Justice Studies

Lori currently lives in McKinney, Texas with her two teenagers and three boxer dogs. Lori is active in her children's school and sports.



# Ameil Edwards

*Analyst*

*Property & Casualty*



Ameil is a casualty analyst for USI Insurance Services. He started as an intern with Wells Fargo Insurance Services (WFIS) during the summer of 2016. Once he graduated from the University of Georgia with a Risk Management and Insurance Degree he started as a Program Associate (P.A.) with WFIS and continued in that role once they were acquired by USI. During his role as an associate he developed an affinity for data analysis, which made the transition to casualty analyst a perfect choice.

As an analyst Ameil helps the Southwest Technical Resource team develop data to use as leverage to negotiate fair and advantageous risk programs for clients with carriers. This role allows Ameil to work with large middle market and risk management accounts within the Southwest Region, that includes Arizona, Texas, and Louisiana.



# Scott Bellamy, CSP, ARM

*Vice President, Risk Control Consultant  
Risk Advisory Practice*

Scott Bellamy is a Risk Control Consultant located in the Dallas USI Insurance Services office. Scott joined USI when they purchased Wells Fargo Insurance in 2017. He had been with Wells Fargo since 2007. In his role as Risk Consultant, Scott provides risk control safety services to clients in the following industries: retail, restaurants, property management, hospitality, and public entity. Scott also works on many Owner Controlled Insurance Programs assisting clients with safety on their construction projects.

Scott has experience addressing client issues pertaining to material handling, repetitive motion, slips and fall prevention, machine guarding, automobile, and general liability loss prevention. Scott has developed safety programs for clients and completed employee training to assist with OSHA compliance. He has also worked with clients to address property loss issues and assisted clients with compliance of NFPA requirements. Scott has also reviewed client loss experience and assisted in developing solutions for the prevention of losses.

Scott began his safety career in 1986 with Aetna Life and Casualty as a Loss Control Consultant. In 1993 Scott moved to Home Insurance/Zurich American Insurance Company as a Loss Control Consultant. He joined Marsh as a Risk Control Consultant in 1996. Prior to his safety career, Scott worked in the oil and gas, construction, and manufacturing industries.

Scott received his B.S. in Industrial Technology from Texas A&M University. He is a Certified Safety Professional (CSP), and Associate in Risk Management (ARM), and OSHA Construction Outreach Trainer.



# Jenni Wynn-Bock

*Senior Claims Consultant*



Jenni Wynn-Bock is a Senior Claims Consultant for USI in Dallas, Texas. Jenni's consultative responsibilities include coordination and oversight of complex claims thorough resolution, design and negotiation of claim service agreements with insurers and/or third-party claim administrators and negotiating with insurers to obtain favorable results in the event of a coverage dispute. Jenni provides oversight and evaluation of client's claim costs and the subsequent impact of those costs on their total cost of risk. In addition, Jenni conducts claims reviews and reserve analysis focusing on strategies for claims resolution and to ensure the accuracy of reserves; marketing and implementation of workers' compensation and general liability claims programs, assisting clients in managing casualty losses and related claims expenses for all lines of business.

Jenni has 21 years of experience in the insurance industry that includes service within a large commercial carrier, an employer, a TPA and a broker that allows her to apply a 360-degree risk perspective to her clients. Prior to joining USI, Jenni was an Account Manager for CorVel Corporation where she serviced regional and national clients in the retail, energy and distribution realms. Prior to CorVel, Jenni was a Director of Claims at Aon specializing in Construction and Wrap-Up/OCIP clients. Jenni has also managed a claim program within the Risk Management department for a large construction company. Jenni started her career at Zurich North America as a Workers' Compensation adjuster and later the General Liability Operations Manager.

Jenni holds a Texas WC Adjuster License, Construction Risk Insurance Specialist (CRIS) designation, and has an OSHA 10-Hour designation.

Jenni was born and raised in Dallas, Texas.



# Camille M. Rogers, ERM

*Environmental Risk Mitigation Specialist*  
*Environmental Risk Mitigation Group (ERMG)*



Camille is a graduate from West Virginia University with a Bachelor's degree in Family and Consumer Sciences. She has also earned the nationally-recognized professional designation of Environmental Risk Management (ERM) from the Environmental Risk Strategies Institute at the University of Houston. Camille continues her professional growth and development through various classes directly relating to her career field.

As a member of USI's Environmental Risk Mitigation Group (ERMG), Camille uses a technical process to evaluate and manage the environmental risk of a wide range of complex national accounts including consultants, large real estate investment firms, manufacturers, contractors, and more. She is experienced with risk identification, risk transfer, the acquisition due diligence process, environmental site assessment reviews, contract reviews, indemnity reviews, and insurance evaluation.

Camille is also highly involved with marketing and insurance carrier relationships. She is well-versed in major policy forms and serves as main point of contact during coverage negotiations with underwriters.

Prior to joining USI-ERMG, Camille was a team member in the energy department at a large national broker. While there, she helped manage large commercial energy accounts which included the upstream, midstream, and downstream sectors of the oil and gas industry.



# Merry Davis, CPCU

*Vice President*

*Executive and Professional Risk Solutions Practice*



Merry Davis is a Vice President in the Executive and Professional Risk Solutions (EPS) Practice of the Southwest region of USI. Located in Houston, she has over 28 years of experience in the field of management liability insurance. As part of the EPS team, she focuses on policy analysis, program design and marketing of our clients' executive liability coverages.

Merry began her career with a predecessor of USI in 1991 as an underwriter for our IBAT Bond Trust program, which was a captive that insured community banks in Texas for their Fidelity Bond, Directors and Officers Liability (D&O) and related insurance coverages. Merry was appointed a Vice President in 2001 and continued to manage the IBAT Bond Trust captive. In 2007, Merry joined the EPS practice where she represents our clients for their D&O and other executive liability insurance needs. Her experience includes design and placement of D&O coverage for private companies, public companies, IPOs and reverse mergers. She also performs due diligence for clients working on acquisitions.

She is a graduate of The University of the Texas at Austin, where she received a BBA in Risk Management and Insurance/Finance. She received her Chartered Property Casualty Underwriter (CPCU) designation in 1999.

Merry is an elder at First Presbyterian Church, where she currently serves on the operations committee.



# Michael Zay

*Property Broker  
Property & Casualty*



Michael Zay is a Property Broker with USI Southwest Commercial Lines in Houston, Texas. Primarily focused on catastrophe modeling with AIR Touchstone, he also assists with property submissions and policy analysis. Having worked as an Intern in the summer of 2013, Michael joined USI full time in June of 2017.

After receiving his bachelor's degree from the University of Alabama in 2014, he joined Gardner Denver petroleum pumps serving as an Inside Sales and Customer Service representative in Fort Worth, Texas where his main responsibility was receiving, processing, and completing all international aftermarket part orders for their client, Schlumberger. Following the downturn in the oil industry in 2015 – 2016, he returned to Houston where he worked with a small commercial real estate firm, Corinthian Real Estate, before then returning to USI.

He earned his B.S. in Commerce and Business Administration from the University of Alabama in Tuscaloosa, Alabama. He graduated in December 2014 with a Specialization in Sales.

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# Chris Keller

*Senior Vice President, Risk Management Casualty Marketing  
Property & Casualty*

Chris Keller is Senior Vice President of Casualty Marketing. Chris specializes in the analysis of risk to design and place insurance programs and alternative risk transfer mechanisms to the commercial insurance industry. His focus is on reviewing and developing programs tailored to meet the individual needs of an ever-changing industry, offering not only property and casualty solutions, but financial, and captive alternatives as well. With an extensive background within multiple facets of the insurance industry, Chris ensures his clients' risk costs are managed effectively and affordably. He is essential in driving new business and maintaining carrier relations.

Before becoming an insurance broker, Chris made the decision to learn everything he could of the inner workings on the insurance company side, so he would have first-hand knowledge when advising his future insurance clients as their broker. He started as an insurance claims adjuster, then was quickly promoted to a claim manager, and ultimately transitioned into a large casualty, risk management underwriter. Over the course of 12 years, Chris handled a various assortment of complex property and casualty claims, and then subsequently used that knowledge when completing loss trend forecasting analyses when Underwriting large casualty risks. Chris' key to success is being responsive, proactive, and always available for his clients.

Chris has a B.S. in Emergency Management and Administration with a focus on Risk Management, from the University of North Texas.

## EDUCATORS LEGAL AND EMPLOYMENT PRACTICES LIABILITY CLAIMS MADE AND REPORTED

**NOTICE: THIS COVERAGE FORM PROVIDES CLAIMS MADE AND REPORTED COVERAGE. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine your rights, duties, and what is and is not covered.

Titles are used within this policy for convenience only and shall not control or affect the meaning or construction of any provision of this policy.

Throughout this policy the words "you" and "your" refer to the Named Insured. The words "we," "us," and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION VIII -DEFINITIONS.

In consideration of the payment of the premium, in reliance upon the statements in the written application made a part hereof, and subject to all of the terms of this policy, we agree as follows:

### SECTION I - COVERAGE

#### A. Insuring Agreement

1. We will pay those sums that an Insured becomes legally obligated to pay as **damages** because of a **wrongful act** (regardless of whether or not such allegations prove to be groundless, false or fraudulent) arising out of the discharge of duties by or on behalf of the Named Insured as shown in the Declarations provided always that:

- a. The **claim**, on account of such **wrongful act**, is first made against an Insured and reported to us during the policy period or the Basic Extended Reporting Period, in compliance with SECTION VII -CONDITIONS - Item A., or any applicable reporting period under SECTION VI- EXTENDED REPORTING PERIODS;
- b. Such **wrongful act** took place in the **coverage territory**; and
- c. As of the inception date of this policy, no Insured had any knowledge of any circumstance likely to result in or give rise to a **claim** nor could have reasonably foreseen that a **claim** might be made.

For purposes of paragraph 1a. of SECTION I -COVERAGE A. Insuring Agreement, if, during the policy period or any applicable reporting period under SECTION VI - EXTENDED REPORTING PERIODS, the Insured gives written notice to us, in accordance with SECTION VII - CONDITIONS - Item A., of a **wrongful act** likely to result in a **claim**, then any **claim** that may subsequently be made against an insured arising out of such **wrongful act** shall be deemed to have been made during the policy period or any applicable reporting period hereunder.

2. We will have the right and duty to defend, except where otherwise excluded, any **suit** seeking **damages** to which this insurance applies. We may, at our discretion, investigate any **claim** or **suit**. But:
  - a. The amount we will pay for **damages** is limited as described in SECTION IV - LIMITS OF LIABILITY; and
  - b. Our right and duty to defend end when we have used up the applicable limit of liability in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SECTION I - COVERAGE, B. Supplementary Payments.

#### B. Supplementary Payments

We will pay, in addition to the applicable limits of liability, with respect to any **claim** or **suit** we defend:

1. All **claims expenses** we incur,
2. Premiums on appeal bonds in any such **claim** or **suit** and the cost of bonds to release attachments, but only for bond amounts not exceeding an amount equal to the limit of liability. We do not have an obligation to furnish any such bonds.
3. All reasonable expenses incurred by any Insured at our request to assist us in the investigation or defense of the **claim** or **suit**, including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs taxed against the Insured in the **suit**.

## SECTION II - EXCLUSIONS

This policy does not apply to:

### 1. Criminal Acts

Any **damages** arising out of any dishonest, fraudulent, criminal or malicious act or omission of any Insured or employee.

### 2. Fiduciary Liability

Any obligation or duty imposed by:

- a. The Employee Retirement Income Security Act (ERISA);
- b. The Pension Benefit Act;
- c. The Consolidated Omnibus Budget Reconciliation Act of 1988 (COBRA); or
- d. SECTION 89 of the Internal Revenue Code,

or any amendments thereto, or similar provisions of any federal, state or local, statutory or common law.

### 3. Pollution

- a. Any **damages** which would not have occurred in whole or in part but for the actual, alleged or threatened existence, discharge, dispersal, seepage, migration, release or escape of pollutants, irritants or hazardous substances at any time; or
- b. Any **damages** arising out of any:
  1. Request, demand or order that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any other way respond to, or assess the effects of pollutants; or
  2. **Claim** or **suit** by or on behalf of a governmental authority or others for **damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, or toxin, fumes, acids, alkalis, chemicals, metals and waste. In addition to pollutants to be disposed of, waste includes materials to be recycled, reconditioned or reclaimed.

### 4. Asbestos, Silica Dust or Lead

- a. any disease or any ailment caused by or aggravated by asbestos in any form or silica dust;
- b. the existence of asbestos in any form or silica dust, including the costs of investigations or feasibility studies, or to the costs of testing, monitoring, abatement, mitigation, cleaning, removal or disposal of any property or substance;
- c. lead or the hazardous properties of lead;
- d. remedial investigations or feasibility studies or the costs of testing, monitoring, abatement, mitigation, cleaning, removal, or disposal of lead or any item(s) containing lead;
- e. any supervision or instructions recommendations, warnings, or advice given or which should have been given in connection with b or c above, or
- f. any obligation to share damages with or repay someone else who must pay damages in connection with a, b, c, d, or e above.

### 5. Self-Dealing or Illegal Profit

Any **damages** arising out of self-dealing or gaining profit or advantage to which an Insured is not legally entitled.

### 6. Condemnation

Any **damages** based upon or arising out of eminent domain, condemnation, inverse condemnation or adverse possession. However, we will pay up to \$10,000 in excess of the deductible amount shown in the Declarations for **claims expenses** incurred by the Insured with regard to any such **claims**.

### 7. Bodily Injury, Personal Injury, Advertising Injury, or Property Damage

Any **damages** based upon or arising out of:

- a. bodily injury including physical injury to any person, death, sickness, disease associated with or arising from such bodily injury;

- b. assault or battery;
- c. emotional distress or mental anguish;
- d. injury caused by a **wrongful act** arising from one or more of the following:
  - 1) false arrest, detention or imprisonment;
  - 2) malicious prosecution;
  - 3) false or improper service of process;
  - 4) publication or utterance of libel or slander or disparaging material or utterance in violation of an individual's right of privacy;
  - 5) violation of right of public occupancy;
  - 6) wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling, or premises;
  - 7) violation of property rights;
  - 8) misappropriation of advertising ideas or style of business; or
  - 9) infringement of copyright title or slogan.

However, exclusion 7.c. and 7.d. do not apply with respect to allegations of a **wrongful employment practice**.

- e. physical injury to tangible property, including all resulting loss of use of that property; or
- f. loss of use of tangible property that is not physically injured.

#### **8. Law Enforcement Activities**

Any **damages** arising out of the law enforcement activities to protect the public or property including the operation of correctional or detention facilities.

#### **9. War, Strikes, Riots, or Civil Commotion**

Any **damages** due to:

- a. war, whether or not declared, or any act or condition incident to war; or
- b. strikes, riots or civil commotion.

War includes civil war, insurrection, rebellion or revolution.

#### **10. Failure to Effect and Maintain Insurance**

Any **damages** based upon or arising out of the failure to effect or maintain insurance or the failure to advise or counsel with respect to the procuring, obtaining or maintaining of any insurance coverages.

#### **11. Bonds, Taxes or Construction Contracts**

Any **damages** based upon or arising out of:

- a. the issuance of bonds;
- b. the improper collection of taxes; or
- c. construction, architectural or engineering contracts.

#### **12. Prior Insurance**

Any **damages** for which an Insured is entitled to indemnity or payment by reason of having given notice of any circumstance which might give rise to a **claim** under any policy(ies) which have terminated or expired prior to the inception date of this insurance.

#### **13. Non-monetary Damages, Fines or Penalties**

Any **claim** or **suit** seeking equitable relief or redress in any form other than money **damages** or for costs, charges, fees or expense in relation to any **claim** or **suit** seeking relief or redress in any form other than money **damages**, or for the costs of an Insured's compliance with the condition of any injunctive or equitable relief, or for any fines or penalties assessed from the failure to comply with any injunctive relief.

However, with respect to any **claim** or **suit** arising out of a **wrongful employment practice**, we agree to pay any **claims expenses** in regard to **claims** or **suits** seeking relief or redress in any form other than monetary damages. We shall have the right, but not the duty, to investigate, or participate in the defense of, or defend any such **claim** or **suit**. We shall only be liable to pay **claims expenses** in excess of the deductible amount shown in

the Declarations and included within and up to the limit of liability shown in the Declarations. We shall have no obligation to pay any salary expense of an Insured.

#### **14. Collective Bargaining Agreement**

Any **damages** due to any collective bargaining agreement or breach of any such agreement.

#### **15. Doctors or Health Care Facilities**

Any **damages** arising out of:

- a. an Insured's **wrongful acts** as a doctor, physician, surgeon or dentist; or
- b. the premises or operation of any hospital, clinic, or nursing home.

#### **16. Contractual Liability**

Any **damages** an Insured is obligated to pay by reason of assumption of liability in a contract or agreement. This exclusion does not apply to liability for **damages** that such Insured would have in the absence of the contract or agreement.

#### **17. Capital Improvements**

Any costs incurred by an Insured to modify or adapt any building or property in order to make such building or property more accessible or accommodating to any disabled person.

#### **18. Workers Compensation**

Any liability arising out of any obligation under any workers' compensation, disability benefits or unemployment compensation law, or any similar law. This exclusion, however, does not apply to any **claim** arising out of a **wrongful employment practice** on account of the filing of a workers' compensation **claim** or a **claim** for disability benefits.

#### **19. Strike and Lock Out**

Any liability arising out of a strike, lockout, picket line, replacement, or other similar action resulting from labor disputes or labor negotiations or any protections contained within the National Labor Relations Act.

#### **20. Workers' Adjustment and Retraining Notification Act (W.A.R.N.)**

Any liability arising out of the Workers' Adjustment and Retraining Notification Act, Public Law 100-379 (1988) or any amendment thereto, or any similar federal, state or local law.

#### **21. Consequential Loss**

Any **claim** for **damages** brought by any claimant's domestic partner, spouse, child, parent, brother, or sister as a consequence of a **wrongful employment practice**.

#### **22. Racketeer Influenced and Corrupt Organizations Act (R.I.C.O.)**

Any **claim** arising out of any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act, 18 USC section et seq., any amendments thereto, or any rules or regulations promulgated thereunder.

#### **23. Integration or Desegregation**

Any damages arising out of the failure to integrate or desegregate the student enrollment or failure to integrate or desegregate participation in any educational entity, school, educational or extracurricular program on the basis of race, sex, ethnic background or national origin, or for any bussing or other transportation of students to or from schools or extracurricular events, in connection with the program or plan of such integration or desegregation, or for causing or allowing the student enrollment or the participation in any educational entity, school, educational, or extracurricular program to be operated or administered on a discriminatory basis because of race, sex, ethnic background or national origin in violation of a court order.

### **SECTION III-WHO IS AN INSURED**

Each of the following is an Insured:

- A. The Named Insured as shown in the Declarations
- B. Any full or part-time **employee**, including volunteers, of the Named Insured, but only while acting within the scope of duties as an **employee**.
- C. Any elected or appointed officials while acting within the scope of their duties as elected or appointed officials.

## SECTION IV - LIMITS OF LIABILITY

- A. The Limit of Liability shown in the Declarations is the most we will pay regardless of the number of:
1. Insureds;
  2. **Claims** made or **suits** brought; or
  3. Persons or organizations making a **claim** or bringing a **suit**.
- B. Our total liability for **damages** as a result of all **claims** covered under this policy shall not exceed the amount stated in Item 3. of the Declarations as Policy Aggregate.
- C. Subject to the above provision respecting Policy Aggregate Limit, our liability for **damages** as a result of any one **claim** or **suit** covered under this policy shall not exceed the amount stated in Item 3. of the Declarations as each **wrongful act**.
- D. The Limits of Liability for this policy apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, other than a reporting period, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Liability.
- E. Any applicable reporting period under SECTION VI -EXTENDED REPORTING PERIODS shall be deemed to be part of the last preceding policy period for purposes of determining the Limits of Liability. The Limits of Liability do not apply separately to any reporting period under SECTION VI - EXTENDED REPORTING PERIODS.

## SECTION V - DEDUCTIBLE

The deductible amount stated in Item 4. of the Declarations is applicable to each **claim** or **suit** and shall be subtracted from the total amount of **damages** and **claims expenses** (whether or not payments for **damages** is made) resulting from each **claim** or **suit**. If more than one **claim** or **suit** results from the same or related **wrongful acts**, then only one deductible amount will apply.

We are only liable for the difference between such deductible amount and the amount otherwise applicable to a **claim** or **suit**. If we pay your portion of any deductible, you will reimburse us immediately upon our request.

## SECTION VI- EXTENDED REPORTING PERIODS

- A. We will provide one or more extended reporting periods, as described below.
- B. The extended reporting periods do not extend the policy period or change the scope of coverage provided under this policy, and apply only to **claims** for **damages** arising out of **wrongful acts** that occur before the end of the policy period.
- C. The extended reporting periods do not reinstate or increase the Limits of Liability.
- D. A Basic Extended Reporting Period of sixty (60) days from the effective date of expiry or cancellation or nonrenewal of this policy is automatically provided without an additional charge. Subject to the terms of this policy, the Basic Extended Reporting Period applies to **claims** for **damages** that are first made against an Insured during the policy period and reported to us, in accordance with SECTION VII -CONDITIONS - Item A., no later than the end of the Basic Extended Reporting Period.

The Basic Extended Reporting Period does not apply to **claims** covered under any other insurance purchased subsequent to, or, to replace this policy.

- E. If this policy is canceled or not renewed by us for any reason other than nonpayment of premium or any other amount owed to us, an optional extended reporting period will be offered to you, subject to the payment of additional premium, and shall take effect on the effective date of cancellation or nonrenewal of this policy. The optional extended reporting period will remain in effect for a period of one to three years, depending on which optional extended reporting period you purchase. Subject to the terms of this policy, the optional extended reporting period applies to **claims** for **damages** reported to us, in accordance with SECTION VII - CONDITIONS - Item A., no later than the end of the purchased optional extended reporting period. Nonrenewal by us shall mean the refusal by us to renew the policy on any terms. Nonrenewal by us shall not mean a change in premium, deductibles, Limits of Liability or other terms.

The additional premium for the optional extended reporting period will depend on which option you choose, as shown below, but will be no more than 150% of the annual premium for the last policy period.

Option 1	1 year	75%
Option 2	2 years	125%
Option 3	3 years	150%

We must receive a written request from you, together with payment of additional premium due, within sixty (60) days after the effective date of cancellation or nonrenewal of this policy if you wish to purchase one of the optional extended reporting periods. You must state in your request which Optional Extended Reporting Period you wish to purchase. The Optional Extended Reporting Period will not go into effect unless you pay and we acknowledge receipt of the additional premium when due. Once in effect, the Optional Extended Reporting Period may not be canceled and the premium for the Optional Extended Reporting Period is fully earned.

The optional extended reporting period does not apply to **claims** covered under any other insurance purchased subsequent to, or to replace, this policy.

## SECTION VII- CONDITIONS

### A. Duties in the Event of Wrongful Act, Claim or Suit

1. You must see to it that we are promptly notified of a **wrongful act** which may result in a **claim**. To the extent possible, notice should include:
  - a. how, when and where the **wrongful act** took place;
  - b. the names and addresses of any injured persons and any witnesses; and
  - c. the nature and location of any injury or **damage** arising out of the **wrongful act**.
2. If a **claim** is made or **suit** is brought against any Insured, you must:
  - a. promptly record the specifics of the **claim** or **suit** and the date received; and
  - b. notify us promptly.

You must see to it that we receive written notice of the **claim** or **suit** promptly

3. You and any other involved Insured must:
  - a. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **claim** or **suit**;
  - b. authorize us to obtain records and other information;
  - c. cooperate with us in the investigation, settlement, or defense of the **claim** or **suit**; and
  - d. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this policy may also apply.
4. No Insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent

### B. Legal Action Against Us

No person or organization has a right under this policy:

1. to join us as a party or otherwise bring us into a **suit** asking for **damages** from an Insured; or
2. to sue us under this policy unless all terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured obtained after an actual trial; but we will not be liable for **damages** that are not payable under the terms of this policy or that are in excess of the applicable limit of liability. An agreed settlement means a settlement and release of liability signed by us, the Insured and the claimant or the claimant's legal representative.

### C. Other insurance

If other insurance is available to the Insured for a **wrongful act** covered by this policy, the insurance provided by this policy shall apply in excess of such other insurance whether or not valid or collectible.

### D. Material Representations

By accepting this policy, you represent and agree as a condition to coverage:

1. that the statements in the Declarations are accurate and complete;
2. that the statements made in the application and attachments and any other materials submitted are true and are the basis of this policy and are to be considered as incorporated into and constituting a part of this policy;
3. that the statements made in the application and attachments and any other material submitted are representations and that such representations are deemed material to the acceptance of the risk or the hazard assumed by us under this policy and that this policy is issued in reliance upon the truth of such representations; and

4. that in the event that the application, including attachments and any other materials submitted, contains misrepresentations which materially affect either the acceptance of the risk or the hazard assumed by us, this policy in its entirety shall be void and of no effect.

**E. Separation of Insureds:**

Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this policy to the first Named Insured, this policy applies:

1. as if each Named Insured were the only Named Insured; and
2. separately to each Insured against whom **claim** is made or **suit** is brought.

**F. Transfer of Rights of Recovery Against others to Us**

If an Insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The Insured must do nothing after wrongful act to impair them. At our request, the Insured will bring legal action or transfer those rights to us and help us enforce them.

**G. Assignment**

This policy may not be assigned by you to anyone.

**H. Sovereign Immunity Defense**

We will use the defense of sovereign immunity, to which you may be entitled as a public entity, only when you agree with us in its use. If you do not agree with us in using the defense of sovereign immunity, you release us from all liability because of our failure to raise such defense.

**I. Consent to Settle**

We will consult with you when we settle a **claim** or **suit**. If you refuse to consent to any settlement offer we receive or make and you elect to contest the **claim** or **suit** or continue any legal proceeding in connection with such **claim** or **suit**, our liability will not exceed the settlement offer plus supplementary payments incurred as of the date of such refusal.

**J. Cancellation**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. sixty (60) days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

**K. Changes**

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

**L. Examination of Your Books and Records**

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three (3) years afterward.

**M. Inspections and Surveys**

We have the right but are not obligated to make inspections and surveys at any time. We will give you reports on the conditions we find and recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections.

We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions are safe or healthful, or comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service, or similar organization which makes insurance inspections, surveys or reports.

#### **N. Premiums**

The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will receive any return premiums.

#### **O. Transfer of Your Rights and Duties Under This Policy**

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

### **SECTION VIII - DEFINITIONS**

#### **A. Claim** means:

1. a written demand for **damages** or a notice advising an Insured of an intent to sue;
2. a charge or a notice of investigation or violation from any government agency;
3. a notice of an arbitration proceeding to which we agree; or
4. a civil proceeding commenced by the service of a summons, complaint or similar pleading; received by an Insured alleging a **wrongful act**.

Claim shall not include any criminal action or labor or grievance arbitration subject to a collective bargaining agreement.

More than one claim brought by persons or entities arising out of the same **wrongful act** or a series of acts all related to a single **wrongful act** shall be treated as a single **claim** and shall be deemed to have been made at the time that the first claim is made against any Insured.

#### **B. Claims Expenses** means

1. reasonable and necessary fees charged by any attorney designated by us to defend the insured,
2. reasonable and necessary fees charged by any attorney designated by the Insured with our written consent;
3. other reasonable and necessary fees, costs and expenses resulting from investigation, adjustment, defense and appeal (other than premiums on appeal bonds and the cost of bonds to release attachments) of a **claim** or **suit** if incurred by the Insured.

Claims Expenses shall not include salary expense or other charges relating to employees or officials of the Insured.

Claims expenses also shall not include any amounts in excess of the applicable and available Limits of Liability of this policy, as set forth in the Declarations.

#### **C. Coverage Territory** means anywhere in the World provided that the **damage** or injury arises out of discharge of duties as an educational entity and that any suit is brought against the Insured within the United States of America, its territories or possessions, Puerto Rico or Canada.

This policy shall not apply to any risk which would be in violation of the laws of the United States including, but not limited to, U.S. economic or trade sanction laws or export control laws administered by the U.S. Treasury, State, and Commerce Department.

#### **D. Damages** shall mean those amounts that an Insured becomes legally obligated to pay for **claims** or **suits** arising out of a **wrongful act**. **Damages** includes all interest on the full amount of any judgment that accrues after entry and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limits of Liability. **Damages** also includes an award of an opposing party's attorney fees.

#### **E. Employee** means any person employed by, leased to or volunteering services to you. Employee includes a **leased worker**.

#### **F. Leased worker** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business.

**G. Suit** means a civil proceeding in which damages to which this policy applies are alleged. Suit includes:

1. an arbitration proceeding in which such **damages** are claimed and to which you must submit or do submit with our consent; or
2. any other alternative dispute resolution proceeding in which such **damages** are claimed and to which you submit with our consent.

**H. Wrongful act** means a negligent act, error or omission, or **Wrongful Employment Practice**.

**I. Wrongful Employment Practice(s)** means

1. Employment related discrimination in connection with hiring, promotion, advancement or opportunity demotion, discipline, pay, or termination on the basis of race, color, sex, age, religion, national origin, disability, sexual orientation, marital status, or pregnancy, or any conduct that violates any federal, state, or local law prohibiting employment discrimination
2. Sexual harassment, including unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature that (1) is made an explicit or implied term or condition of employment; or (2) is used as a basis for employment decisions; or (3) creates a work environment that is intimidating, hostile, or offensive; and
3. Any of the following employment related acts: misrepresentation, invasion of privacy, defamation, retaliation, negligent infliction of emotional distress, wrongful discipline, negligent evaluation, negligent hiring, or negligent supervision.

All other terms and conditions of this policy remain unchanged.

## **P. TERRORISM AND SABOTAGE DIRECT DAMAGE AND TIME ELEMENT**

For the purpose of this coverage and act of terrorism or sabotage means an act, subversive act, series of acts, or use of force or violence by any person or group(s) of persons, whether acting alone, on behalf of, or in connection with any organization(s), committed for political, religious, or ideological purposes, including the intention to influence any government and/or to put the public or any sector of the public in fear for such purposes. This would include any act of terrorism whether or not certified.

Terrorism and Sabotage is requested as follows:

1. \$100,000,000 per occurrence limit, with a \$100,000,000 annual aggregate.
2. Include a quote subject to alternate deductibles of \$10,000 and \$25,000, including time element.
3. Sublimits should include, but not necessarily be limited to:
  - a. \$4,500,000 BI/EE, including rental income
  - b. Civil or Military Authority \$1,000,000/30 days/5 miles
  - c. Ordinance or law \$1,000,000
  - d. EPD media \$1,000,000
  - e. Extended period of indemnity 180 days
  - f. Ingress/Egress \$1,000,00/ 30 days/5 miles
  - g. Professional fees \$250,000
  - h. Service Interruption \$1,000,000/30 days/5 miles
  - i. Miscellaneous unnamed locations \$1,000,000/60-day reporting
  - j. Newly acquired locations \$1,000,000/90-day reporting.
  - k. Course of construction \$1,000,000
  - l. Soft Costs \$250,000
4. Coverage is to apply to all locations on the schedule of values.
5. Attach copies of all policy forms and endorsements.

## PROPOSAL FORM FOR TERRORISM AND SABOTAGE DIRECT DAMAGE AND TIME ELEMENT

1. Proposed insurer Hiscox
2. Definition of terrorism and sabotage is as per the specifications.  Yes  No
3. Coverage applies to all locations on the SOV.  Yes  No
4. Please indicate the premiums for the following:

Limits	Deductibles		
	\$10,000	\$25,000	Other
Terrorism & Sabotage \$100,000,000	\$14,889.50	\$14,889.50	

5. Sublimits include:
  - a. \$4,500,000 BI/EE, including rental income.  
 Yes  No  Premium
  - b. Civil or Military Authority, \$1,000,000/0 days/5 miles. 30 days  
 Yes  No  Premium
  - c. Ordinance or law \$1,000,000.  
 Yes  No  Premium
  - d. EPD media \$1,000,000.  
Yes  No  Premium
  - e. Extended period of indemnity 180 days.  
 Yes  No  Premium
  - f. Ingress/Egress \$1,000,00/30 days/5 miles.  
 Yes  No  Premium
  - g. Professional fees, \$250,000.  
 Yes  No  Premium
  - h. Service Interruption \$1,000,000, 30 days, 5 miles  
 Yes  No  Premium
  - i. Miscellaneous unnamed locations, \$1,000,000, 60-day reporting.  
 Yes  No  Premium
  - j. Newly acquired locations, \$1,000,000, 90-day reporting.  
 Yes  No  Premium
  - k. Course of construction, \$1,000,000.  
 Yes  No  Premium

6. Is premium flat or auditable? flat
7. Indicate premium payment mode (monthly, quarterly, etc.) premium payment w/in 30 days of binding
8. Are copies of all policy forms and endorsement attached?  Yes  No
9. Indicate term of coverage. 1 year
- If more than one year, are rates fixed?  Yes  No
10. Is coverage contingent on writing any other lines?  Yes  No
- If so, explain Property
- 
11. Are specimen forms and endorsements included?  Yes  No

Stephanie Beckwith  
Authorized Signature

Hiscox  
Company

7/6/2020  
Date

## EXCEPTION FORM FOR TERRORISM AND SABOTAGE

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.***

All as per our responses to the coverage questionnaire.

Robert S. Bookhammer  
\_\_\_\_\_  
Authorized Signature

USI Southwest, Inc.  
\_\_\_\_\_  
Company

7/6/2020  
\_\_\_\_\_  
Date



July 6, 2020

Bob Bookhammer  
 USI Southwest, Inc (Dallas)  
 5151 Belt Line Road, Suite 200  
 Dallas, TX 75254

Renewal Quote of Policy No.: UTS2558732.19

Re: Webb County, Texas

Dear Bob,

In accordance with your request for a proposal, and based upon the information submitted, I am pleased to offer the following indication:

This indication is inclusive of the following:

**General Terms & Conditions**

1. 12 month policy period
2. 100% Lloyd's syndicate paper which is rated A by A.M. Best Financial Size Category is Class XV.
3. General Terms and Conditions TR5 P0001 CW (09-17) applies to this policy in conjunction with the specific wording detailed in each section below.
4. Attached endorsements apply: E2007.4 - Lloyd's Syndicate (33) Endorsement, E2010.1 - Premium Payment Clause (Reinsurance), E2013.1 - Service of Suit Endorsement, and E2017.1 - Policyholder Disclosure Notice of Terrorism Insurance Cover

**Quotation Premium Summary**

Coverage Part	Layer Limit of Liability	Layer Premium	Hiscox Participation
Terrorism and Sabotage	\$ 100,000,000 Per Occurrence / \$ 100,000,000 Aggregate	\$ 14,190	100%
	Excess of: N/A		
Active Shooter and Malicious Attack	\$ 1,000,000 Per Occurrence / \$ 1,000,000 Aggregate	\$ 4,500	100%
	Excess of: N/A		
Active Shooter and Malicious Attack Property and Liability	\$ 1,000,000 Per Occurrence / \$ 1,000,000 Aggregate	\$ 11,000	100%
	Excess of: N/A		
<b>Hiscox Per Occurrence Aggregate Limit of Liability for Above Coverage Parts:</b>		<b>\$ 100,000,000</b>	
<i>For details about any applicable quota share arrangement, please see the corresponding Coverage Part below.</i>			

**Total Layer Premium:** \$ 29,690  
**Total Hiscox Premium:** \$ 29,690

**Quotation Details:**

**Municipalities Terrorism and Sabotage Coverage Part: TR5 P0005 CW (07-19)**

Hiscox Participation:	100%
Hiscox Municipalities Terrorism and Sabotage Limit of Liability:	\$ 100,000,000 Per Occurrence / \$ 100,000,000 Aggregate
Total Insured Value:	\$ 164,408,372
Business Interruption Sublimit	\$ 4,500,000
Civil or Military Authority Sublimit	\$ 1,000,000, 30 Day(s), and 5 Mile(s)
Debris Removal Expenses Sublimit	\$ 250,000
Decontamination Costs Excluding NCBR Sublimit	\$ 250,000
Demolition and Increased Cost of Construction Sublimit	\$ 1,000,000
Errors and Omissions Sublimit	\$ 250,000
Electronic Data Processing Media Sublimit	\$ 1,000,000
Extended Period of Indemnity Sublimit	\$ 0 and 180 Day(s)
Fine Art Sublimit	\$ 250,000
Ingress/Egress Sublimit	\$ 1,000,000, 30 Day(s), and 5 Mile(s)
Preservation of Property Sublimit	\$ 250,000
Professional Fees Sublimit	\$ 250,000
Relocation Expense Sublimit	\$ 250,000
Service Interruption Sublimit	\$ 1,000,000, 30 Day(s), and 5 Mile(s)
Transit Sublimit	\$ 250,000
Valuable Papers Sublimit	\$ 250,000
Accounts Receivable Sublimit	\$ 250,000
Asbestos Sublimit	\$ 500,000
Automatic Coverage Sublimit	\$ 1,000,000 and 30 Day(s)
Commissions, Profits, and Royalties Sublimit	\$ 250,000
Contingent Business Interruption – Named Suppliers/Customers Sublimit	\$ 0
Contingent Business Interruption – Unnamed Suppliers/Customers Sublimit	\$ 0
Delay in Startup Costs Sublimit	\$ 250,000
Fire Protective Systems Sublimit	\$ 10,000
Green Building Additional Expense Sublimit	\$ 250,000

Key and Lock Expense Sublimit	\$ 250,000
Landscaping Sublimit	\$ 10,000
Leasehold Interest Sublimit	\$ 0
Loss of Attraction Sublimit	\$ 0, 0 Day(s), and 0 Mile(s)
Miscellaneous Unnamed Locations Sublimit	\$ 1,000,000 and 60 Day(s)
Newly Acquired Locations Sublimit	\$ 1,000,000 and 90 Day(s)
Property In Course of Construction Sublimit	\$ 1,000,000
Rental Income Sublimit	\$ 4,500,000
Soft Costs Sublimit	\$ 250,000
Deductible:	\$ 10,000
Waiting Period:	0 Hour(s)
Municipalities Terrorism and Sabotage Premium:	\$ 14,190
Endorsements:	NONE

*Unless otherwise specified, all sublimits listed above apply on a per occurrence basis and are a part of, and not in addition to, the Municipalities Terrorism and Sabotage limit of liability.*

### Active Shooter and Malicious Attack Coverage Part: TR5 P0012 CW (09-17)

Hiscox Participation:	100%
Hiscox Active Shooter and Malicious Attack Limit of Liability:	\$ 1,000,000 Per Occurrence / \$ 1,000,000 Aggregate
Total Insured Value:	\$ 164,408,372
Additional Security Measures Sublimit	\$ 250,000
Counseling Sublimit	\$ 250,000
Public Relations Costs Sublimit	\$ 250,000
Miscellaneous Crisis Management Expenses Sublimit	\$ 250,000
Deductible:	\$ 0
Waiting Period:	0 Hour(s)
Active Shooter and Malicious Attack Premium:	\$ 4,500
Endorsements:	NONE

*Unless otherwise specified, all sublimits listed above apply on a per occurrence basis and are a part of, and not in addition to, the Active Shooter and Malicious Attack limit of liability.*

### Active Shooter and Malicious Attack Property and Liability Coverage Part: TR5 P0016 CW (11-18)

Hiscox Participation:	100%
Hiscox Active Shooter and Malicious Attack Property and Liability:	\$ 1,000,000 Per Occurrence / Each Claim / \$ 1,000,000 Aggregate
Total Insured Value:	\$ 164,408,372

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Additional Security Measures Sublimit	\$ 250,000
Counseling Sublimit	\$ 250,000
Public Relations Sublimit	\$ 250,000
Miscellaneous Crisis Management Expenses Sublimit	\$ 250,000
Medical Payments and Funeral Expenses Sublimit	\$ 1,000,000
Deductible:	\$ 0
Waiting Period:	0 Hour(s)
Active Shooter and Malicious Attack Property and Liability Premium:	\$ 11,000
Endorsements:	NONE

*Unless otherwise specified, all sublimits listed above apply on a per occurrence/each claim basis and are a part of, and not in addition to, the Active Shooter and Malicious Attack Property and Liability.*

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This Quotation will expire in 30 days.

It is your responsibility to handle all E&S filings as well as collect and pay the E&S taxes if the above coverage is secured. Thank you for the opportunity to offer a proposal. Please give me a call if you have any questions.

Sincerely,



Stephanie Boehmke  
Assistant Vice President

## General Terms and Conditions

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### I. Our promise to you

In consideration of the premium charged, and in reliance on the statements made and information provided to **us**, **we** will pay **covered amounts** as defined in this policy, provided **you** properly notify **us** of **claims**, **events**, and **occurrences**, and meet **your** obligations to **us** in accordance with the terms of this policy.

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### II. Limits of liability

Regardless of the number of Coverage Parts **you** have purchased, the maximum **we** will pay for all **covered amounts** will be as follows:

- A. Aggregate limit  
The Aggregate Limit identified in the Declarations (if applicable to the relevant Coverage Part) is the maximum amount **we** will pay for all **covered amounts** for all covered **occurrences**, **events**, or **claims**, unless a lower sublimit is specified, in which case the sublimit is the maximum amount **we** will pay for the type of covered loss to which the sublimit applies.
- B. Each occurrence limit  
The Each Occurrence Limit identified in the Declarations (if **you** have purchased a relevant Coverage Part) is the maximum amount **we** will pay for all **covered amounts** for each covered **occurrence** or **event**, unless a lower sublimit is specified, in which case the sublimit is the maximum amount **we** will pay for the type of covered loss to which the sublimit applies. The Each Occurrence Limit, or any sublimit, will be in excess of any applicable **deductible** and will be a part of, and not in addition to, any applicable aggregate limit.
- C. Each claim limit  
The Each Claim Limit identified in the Declarations (if **you** have purchased a relevant Coverage Part) is the maximum amount **we** will pay for all **covered amounts** for each covered **claim**, unless a lower sublimit is specified, in which case the sublimit is the maximum amount **we** will pay for the type of covered **claim** to which the sublimit applies. The Each Claim Limit, or any sublimit, will be in excess of any applicable **deductible** and will be a part of, and not in addition to, any applicable aggregate limit.
- D. Multiple Coverage Parts  
If the same **claim** or related **claim**, **event**, or **occurrence** is covered under more than one Coverage Part, **we** will pay only under one Coverage Part, which will be the Coverage Part that provides the most favorable coverage.  
Regardless of the Coverage Parts under which the same **claim** or related **claim**, **event**, or **occurrence** is covered, only one **deductible** will apply, which will be the highest applicable **deductible** of the triggered Coverage Parts.

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### III. Your obligations to us

- A. Named insured responsibilities  
It will be the responsibility of the **named insured** (or, if there is more than one **named insured**, the first one listed on the Declarations) to act on behalf of all **insureds** with respect to the following:
1. timely giving and receiving notice of cancellation or non-renewal;
  2. timely payment of premium;
  3. agreement to any endorsements to the policy;
  4. receipt of return premiums; and
  5. timely acceptance of changes to this policy.
- B. Your duty to cooperate  
**You** must cooperate with **us** in the investigation, adjustment, defense, and settlement of any loss or **claim** notified to **us**, including but not limited to:
1. submitting a signed proof of loss to **us** as soon as reasonably possible following any loss;
  2. notifying **us** immediately if **you** receive any settlement demands or offers, and sending **us** copies of any demands, notices, summonses, or legal papers;

## General Terms and Conditions

3. submitting to examination and interrogation under oath by **our** representative and giving **us** a signed statement of **your** answers;
4. attending hearings, depositions, and trials as **we** request;
5. assisting in securing and giving evidence and obtaining the attendance of witnesses;
6. providing written statements to **our** representative and meeting with such representative for the purpose of investigation and/or defense;
7. providing all documents and information **we** may reasonably request, including authorizing **us** to obtain records; and
8. pursuing **your** right of recovery from others.

C. Your representations

**You** warrant that all representations made and all materials submitted by **you** or on **your** behalf in connection with the **application** for this policy are true, accurate, and not misleading, and agree they were relied on by **us** and were material to **our** decision to issue this policy to **you**. If **we** learn any of the representations or materials were untrue, inaccurate, or misleading in any material respect, **we** are entitled to treat this policy as if it had never existed.

### IV. Other provisions affecting coverage

- A. Alteration and assignment No change in or modification of, or assignment of interest under this policy will be effective unless made by written endorsement to this policy signed by our authorized representative.
- B. Bankruptcy or insolvency Your bankruptcy or insolvency will not relieve us of any of our obligations under this policy.
- C. Cancellation
1. This policy may be canceled by the **named insured** by giving written notice, which must include the date the cancellation will be effective, to **us** at the address stated in the Declarations. However, the **named insured** may not cancel the policy after it has submitted or reported any loss or **claim** to **us**.
  2. This policy may be canceled by **us** only for non-payment of premium. In such cases, **we** will mail to the **named insured** by registered, certified, or other first class-mail (or by email where allowed by applicable law), at the **named insured's** address (or email address) stated in Item 1 of the Declarations, written notice which must include the date the cancellation will be effective. The effective date of the cancellation will be no less than ten days after the date of the notice of cancellation.
  3. The mailing (or emailing) of the notice will be sufficient proof of notice, and this policy will terminate at the date and hour specified in the notice.
  4. If this policy is canceled by **us** or the **named insured**, **we** will return a pro rata proportion of the premium.
  5. Payment or tender of any unearned premium by **us** will not be a condition precedent to the cancellation, but such payment will be made as soon as possible.
- D. Change in circumstances **You** must notify **us** as soon as reasonably possible of any change in **your** business operations during the **policy period** which will materially affect this insurance. This includes, but is not limited to, ownership or control of **your** business, any change in the nature of the business carried out at an **insured location**, or any change in **your** operating conditions. **We** may then vary the terms and conditions of this policy. If **you** have any doubt whether a change is material, **you** should consult **your** broker or agent.
- E. Coverage territory This policy will only apply to any **claim**, arbitration, or other proceeding (if **you** have purchased a relevant Coverage Part) brought against **you** within the United States, its territories or possessions, or Canada.

## General Terms and Conditions

- F. False or fraudulent claims If any **insured** commits fraud in connection with any claim under this policy, whether regarding the amount or otherwise, this insurance will become void as to that **insured** from the date the fraud is committed.
- G. Legal action against us No one may bring a legal action against **us** unless:
1. **you** have fully complied with all of the terms of this policy; and
  2. the action is brought within two years after the expiration or cancellation of this policy.
- H. Multiple insureds **We** will not pay any more than the amount stated in the Declarations applicable to each Coverage Part purchased, whether such amount consists of insured losses sustained by one **named insured** or multiple **named insureds**.
- I. Other insurance Any payment due under this policy will be primary with respect to, and will not contribute with, any other valid and collectible insurance covering the same loss.
- However, if **you** have purchased either the Terrorism and Sabotage Liability Coverage Part or the Nuclear, Chemical, Biological, and Radiological Terrorism Coverage Part:
1. with respect to any **claim** made against **you** under Section I. Insuring agreements – What is covered, Third-party liability, any payment due under that Coverage Part will be specifically excess of and will not contribute with any other valid and collectible workers compensation or employers' liability insurance, unless such other insurance is written specifically as excess over this policy; and
  2. with respect to any **claim** made against **you** under Section I. Insuring agreements – What is covered, Employers' liability, any payment due under that Coverage Part will be specifically excess of and will not contribute with any other valid and collectible insurance, unless such other insurance is written specifically as excess over this policy.
- J. Participation In the event this policy or any Coverage Part is written as part of a quota share arrangement, **our** obligations will be several and not joint and are limited solely to the extent of **our** individual participation, as described in the Declarations. **We** will not be responsible for the share of any other carrier who for any reason does not satisfy all or part of its obligations.
- K. Partial payments In the event **we** determine a covered loss exceeds the **deductible**, **we** will advance mutually agreed upon partial payment(s) on the covered loss, subject to all other policy provisions. **We** will only advance such payment(s) upon **our** receipt of a signed and sworn proof of loss submitted by **you**, which must include adequate supporting documentation and meet any other requirements described in the applicable Coverage Part.
- L. Recovery from third parties In the event of a claim in which there is potential for recovery from any third party, **we** will have the right to pursue resolution of that action in **your** name at **our** expense. In the event of any payment by **us** under this policy, **we** will be subrogated to all of **your** rights of recovery to that payment.
- You** will do nothing to prejudice **our** subrogation rights without **our** prior written consent.
- You** will do everything necessary to secure and preserve **our** subrogation rights, including but not limited to the execution of any documents necessary to allow **us** to bring suit in **your** name.
- You** (or any of **your** agents, contractors, or subcontractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable to avoid or diminish any loss insured and to secure compensation for any such loss, including protecting rights and taking action against other parties to enforce any rights and remedies or to obtain relief or indemnity.
- M. Sanctions **We** will not provide any benefit under this policy where doing so would breach any sanction, prohibition, or restriction imposed by law.
- N. Titles Titles of sections of and endorsements to this policy are inserted solely for convenience of reference and will not be deemed to limit, expand, or otherwise affect the provisions to which they relate.

### V. Definitions applicable to all Coverage Parts

The following definitions apply to all Coverage Parts **you** have purchased. If the same term is defined here and in a Coverage Part, then the definition in the Coverage Part will govern the coverage provided under that Coverage Part.

<b>Application</b>	means the signed application for the policy and any attachments and materials submitted with that application. If this policy is a renewal or replacement of a previous policy issued by <b>us</b> , <b>application</b> also includes all previous signed applications, attachments, and materials.
<b>Covered amounts</b>	means any amounts <b>we</b> have expressly agreed to pay under any Coverage Part <b>you</b> have purchased.
<b>Deductible</b>	means the amount identified as such in the Declarations.
<b>Event</b>	means a <b>malicious attack</b> or a <b>malicious threat</b> , as each is defined in the relevant Coverage Part.
<b>Insured location</b>	means a location on file with and agreed to by <b>us</b> as shown in Item 5 of the Declarations.
<b>Named insured</b>	means the entity identified in Item 1 of the Declarations.
<b>Policy period</b>	means the period of time identified in Item 2 of the Declarations.
<b>We, us, or our</b>	means Syndicate 33 at Lloyd's managed by Hiscox Syndicates Limited.
<b>You, your, or insured</b>	means the <b>named insured</b> .

## Municipalities Terrorism and Sabotage Coverage Part

### I. Insuring agreement - What is covered

We will pay up to the Municipalities Terrorism and Sabotage Limit of Liability stated in the Declarations for direct physical damage to or direct physical loss of **covered property** directly resulting from an **act of terrorism or sabotage** that occurs during the **policy period** and is reported to **us** in accordance with Section III. Your obligations.

### II. Coverage enhancements

If an amount appears on the Declarations next to the name of the sublimit listed below, which indicates **you** have purchased the coverage, **we** will also pay **you** up to the corresponding sublimit for the following loss **you** sustain directly resulting from an **act of terrorism or sabotage** to which this Coverage Part applies:

- |   |   |
|---|---|
| Business interruption                         | A. <b>business interruption costs.</b>  |
| Civil or military authority                   | B. <b>income loss</b> directly caused by the prevention of ingress to or egress from an <b>insured location</b> or part of an <b>insured location</b> by order of a civil or military authority, sustained for a period greater than the <b>waiting period</b> but not to exceed the number of days stated in the Declarations.   |
| Debris removal expenses                       | C. reasonable and necessary costs <b>you</b> incur to demolish and remove debris remaining at the <b>insured location(s)</b> which sustained direct physical damage. <b>We</b> will not take into consideration the cost of debris removal in establishing the value of any <b>covered property</b> physically damaged under this Coverage Part.  |
| Decontamination costs (excluding NCBR)        | D. <b>decontamination costs</b> , provided there is a law regulating contamination (including but not limited to the presence of pollution or hazardous material) in force at the time of the loss. <b>We</b> will only pay for <b>decontamination costs</b> in connection with the contaminated part(s) of <b>covered property</b> , and only to the extent such decontamination is needed to satisfy the applicable law.  |
| Demolition and increased cost of construction | E. reasonable and necessary costs <b>you</b> incur to satisfy the minimum requirements of the enforcement of any law regulating the demolition, construction, repair, replacement, or use of physically damaged buildings or structures at an <b>insured location</b> , provided: <ol style="list-style-type: none"> <li>1. such law is in force on the date of the loss; and</li> <li>2. its enforcement is a direct result of such loss or damage.</li> </ol> <p>However, <b>we</b> will have no obligation to pay any costs:</p> <ol style="list-style-type: none"> <li>a. to demolish, repair, or rebuild any portion of <b>covered property</b> that was not physically damaged, unless such costs are incurred to rebuild the undamaged portion with materials and in a manner required to satisfy the law;</li> <li>b. due to any law <b>you</b> were required to comply with even if the loss had not occurred; or</li> <li>c. incurred as a result of the enforcement of any laws regulating any form of contamination, including but not limited to the presence of pollution or hazardous material.</li> </ol> <p><b>Our</b> maximum liability under this subsection E will not exceed the actual cost incurred to demolish the physically undamaged portion of the <b>covered property</b> plus the lesser of:</p> <ol style="list-style-type: none"> <li>i. the reasonable and necessary actual cost, excluding the cost of land, to rebuild on another site; or</li> <li>ii. the cost to rebuild on the same site.</li> </ol> |
| Errors and omissions                          | F. physical damage to or loss of <b>covered property</b> which would have been covered by this Coverage Part except for an unintentional error or omission by <b>you</b> or anyone on <b>your</b> behalf regarding the: <ol style="list-style-type: none"> <li>1. description of where such property is physically located; or</li> <li>2. failure to include any location as an <b>insured location</b>.</li> </ol>  |

## Municipalities Terrorism and Sabotage Coverage Part

		<p>Coverage will apply under this subsection F only to the extent this Coverage Part would have applied had such error or unintentional omission not been made.</p> <p><b>You</b> must report and correct any unintentional error or omission regarding such property or its location(s) as soon as possible after <b>you</b> discover the error or omission.</p> <p>In no event will there be any coverage under this subsection F for any property that is located:</p> <ol style="list-style-type: none"> <li>a. at a location covered under Coverage enhancement CC. Newly acquired locations; or</li> <li>b. within a <b>restricted area</b>.</li> </ol>
Electronic data processing media	G.	<p>physical damage to or loss of <b>computer equipment</b> or <b>electronic media</b> in <b>your</b> care, custody, or control at the affected <b>insured location(s)</b>, except that <b>we</b> will only pay for damage to or loss of <b>electronic media</b> if such damage or loss is a direct result of physical damage to the <b>computer equipment</b> on which the <b>electronic media</b> was stored.</p>
Extended period of indemnity	H.	<p>the actual amount of the reduction in revenue sustained during the number of days stated in the Declarations, after the <b>period of restoration</b> has ended, but only if resulting from:</p> <ol style="list-style-type: none"> <li>1. <u>Restoration efforts</u>: efforts to physically restore the operations to the condition that would have existed had no <b>act of terrorism or sabotage</b> occurred; or</li> <li>2. <u>Contract cancellation</u>: cancellation of contracts <b>you</b> entered into prior to the <b>act of terrorism or sabotage</b> that would have earned <b>you</b> revenue during the time period described above.</li> </ol> <p>Coverage under this subsection H will not include loss due to fines or penalties or damages for breach of contract or late or non-completion of orders.</p> <p>If <b>you</b> could have minimized the total reduction in revenue by:</p> <ol style="list-style-type: none"> <li>a. a complete or partial resumption of the business operations;</li> <li>b. making use of merchandise, stock, or other property at the <b>insured location</b> or elsewhere; and/or</li> <li>c. using or increasing business operations elsewhere,</li> </ol> <p>then <b>we</b> will take such possible reduction of loss into account when calculating the amount of loss <b>we</b> will pay.</p>
Fine arts	I.	<p>physical damage to or loss of <b>fine arts</b>.</p>
Ingress/egress	J.	<p><b>income loss</b> directly caused by the prevention of ingress to or egress from an <b>insured location</b> or part of an <b>insured location</b> during the <b>policy period</b>, for any reason other than by order of a civil or military authority, sustained for a period greater than the <b>waiting period</b> but not to exceed the number of days stated in the Declarations.</p>
Preservation of property	K.	<p>reasonable and necessary costs <b>you</b> incur to move <b>your</b> building components, contents, <b>computer equipment</b>, <b>electronic media</b>, <b>accounts receivable</b> records, <b>fine arts</b>, or <b>valuable papers</b> to or from their original location and/or temporarily store them at another location in order to protect them from imminent loss or damage.</p>
Professional fees	L.	<p>reasonable costs <b>you</b> incur with <b>our</b> prior consent for the fees of <b>your</b> accountants, architects, auditors, engineers, or other professionals, plus the cost of using <b>your</b> employees, to produce and certify any particulars or details contained in <b>your</b> books or documents, or such other evidence <b>we</b> require in connection with a claim submitted under this Coverage Part.</p> <p>However, <b>we</b> will not pay for any fees and costs of attorneys, public adjusters, or loss appraisers or loss consultants, or anyone retained on their behalf, who provide consultation on insurance coverage or who negotiate claims.</p>
Relocation expenses	M.	<p>reasonable and necessary expenses <b>you</b> incur to relocate <b>your</b> operations to a functionally equivalent temporary location in order to avoid or mitigate <b>income loss you</b> would have sustained due to the interruption of <b>your</b> operations.</p>

## Municipalities Terrorism and Sabotage Coverage Part

The most **we** will pay under this subsection M is the reasonable and necessary costs and expenses **you** actually incur to minimize the interruption to **your** operations, or **your** expected **income loss**, whichever is less.

- |                      |  |
|----------------------|--|
| Service interruption | <p>N. physical damage to or loss of <b>covered property</b> and/or the actual <b>income loss</b> sustained because of:</p> <ol style="list-style-type: none"> <li>1. the interruption of incoming electricity, gas, fuel, steam, water, or refrigeration services; or</li> <li>2. the lack of outgoing sewerage service,</li> </ol> <p>due to physical loss or damage which prevents the supplier of such services from delivering those services to <b>you</b>.</p> <p><b>We</b> will only pay for <b>income loss</b>:</p> <ol style="list-style-type: none"> <li>a. directly caused by such service interruption for a period greater than the <b>waiting period</b> but not to exceed the number of days stated in the Declarations; and</li> <li>b. sustained at an <b>insured location(s)</b> located within the number of miles stated in the Declarations from the affected service supplier(s).</li> </ol> <p>However, <b>we</b> will not pay for any <b>income loss</b> resulting solely from interruption to voice, data, video, internet, or other telecommunications services.</p>   |
| Transit              | <p>O. 1. physical damage to or loss of <b>fine arts, valuable papers, accounts receivable</b> records, <b>computer equipment</b>, or <b>electronic media</b>, while such property is <b>in transit</b>; and</p> <p>2. the cost of research and other reasonable expenses necessary to reproduce, replace, or restore such property that is damaged or lost while <b>in transit</b>.</p> <p><b>We</b> will only pay for property <b>in transit</b> that is:</p> <ol style="list-style-type: none"> <li>a. owned by <b>you</b>;</li> <li>b. shipped to customers under free on board, cost and freight, or similar terms;</li> <li>c. owned by others and in <b>your</b> care, custody, or control, but only to the extent <b>you</b> are legally liable for such property; or</li> <li>d. owned by others and sold by <b>you</b>, provided <b>you</b> have agreed prior to the loss to insure such property during the course of delivery.</li> </ol> <p>However, coverage under this subsection O ceases:</p> <ol style="list-style-type: none"> <li>i. for import shipments, at the time ocean marine insurance ceases to cover such property, or if uninsured by ocean marine insurance, after discharge from overseas vessels or aircraft; and</li> <li>ii. for export shipments not insured under ocean cargo policies, at the time the property is loaded on board overseas vessels or aircraft.</li> </ol> |
| Valuable papers      | <p>P. physical damage to or loss of <b>valuable papers</b>.</p>  |
| Accounts receivable  | <p>Q. physical damage to or loss of <b>your accounts receivable</b> records.</p> <p><b>We</b> will also pay:</p> <ol style="list-style-type: none"> <li>1. reasonable and necessary expenses <b>you</b> incur to reproduce <b>your</b> accounting records, including support records such as invoices and accounting records on programs that are either purchased or written on a custom basis, which are regularly used with a computer system, or used to control and document the collection of money due from customers;</li> <li>2. interest on any loan that is required to offset amounts <b>you</b> are unable to collect pending <b>our</b> payment of such amounts; and</li> <li>3. reasonable and necessary collection expenses above <b>your</b> normal collection expenses.</li> </ol>   |
| Automatic coverage   | <p>R. the amount by which any <b>insured location(s)</b> reported to <b>us</b> at the inception of the <b>policy period</b> increased in value between the inception date and the date of a covered <b>occurrence</b> at such <b>insured location</b>.</p>   |

## Municipalities Terrorism and Sabotage Coverage Part

Commissions, profits, and royalties	<p>S. The most <b>we</b> will pay under this subsection R is an increase of 10% of the initially reported total insured value of any such <b>insured location</b>.</p> <p><b>income loss</b> during the <b>period of restoration</b> as a direct result of the interruption of the delivery of goods in whole or in part to <b>you</b> or for <b>your</b> account.</p> <p>In calculating <b>income loss</b> under this subsection S, <b>we</b> will only assess net income derived from:</p> <ol style="list-style-type: none"> <li>1. income <b>you</b> would have received from the sale of goods not owned by <b>you</b>;</li> <li>2. amounts <b>you</b> would have received from the sale of goods belonging to <b>you</b>, in excess of the cost to <b>you</b> of such goods; and</li> <li>3. income <b>you</b> are not able to collect under royalty or licensing agreements,</li> </ol> <p>to the extent such amounts are not realizable under any royalty, licensing fee, or commission agreement between <b>you</b> and another party.</p> <p><b>You</b> must use reasonable efforts to influence the party(ies) with whom <b>you</b> have any agreement to deliver goods to <b>you</b> to use any other machinery, supplies, or locations to resume business to reduce the amount of loss <b>you</b> sustain, including by cooperating with such party to do so. <b>We</b> will have no obligation to cover <b>your</b> costs of cooperation unless <b>we</b> agree in writing.</p>
Contingent business interruption	<p>T. <b>business interruption costs</b> directly resulting from an <b>act of terrorism or sabotage</b> occurring at a location that is:</p> <ol style="list-style-type: none"> <li>1. not owned or operated by <b>you</b>; and</li> <li>2. either:           <ol style="list-style-type: none"> <li>a. listed as a Named Contingent Business by endorsement to this policy; or</li> <li>b. an unnamed business, supplier, customer, or vendor on which <b>you</b> depend to maintain <b>your</b> business operations, except for any utilities or telecommunications provider,</li> </ol>           whichever applies.         </li> </ol> <p>In determining the limits applicable to coverage under this subsection T, the Contingent business interruption –Named Suppliers/Customers sublimit stated in the Declarations will apply to locations that are listed as Named Contingent Business(es), and the Contingent business interruption – Unnamed Suppliers/Customers sublimit stated in the Declarations will apply to locations <b>you</b> depend on that are not listed by endorsement to this policy.</p>
Delay in startup costs	<p>U. <b>business interruption costs</b> directly caused by a delay in starting <b>your</b> operations, sustained for a period greater than the <b>waiting period</b> due to physical damage to or loss of property under construction at the <b>insured location(s)</b>.</p>
Fire protective	<p>V. reasonable and necessary costs <b>you</b> incur:</p> <ol style="list-style-type: none"> <li>1. as a result of fire department firefighting charges imposed after responding to a fire in, on, or exposing the <b>covered property</b>;</li> <li>2. to dispose of, restore, and recharge fire protection systems following the <b>occurrence</b>; or</li> <li>3. for the water used for fighting a fire in, on, or exposing the <b>covered property</b>.</li> </ol>
Green building additional expense	<p>W. reasonable and necessary expenses <b>you</b> incur to upgrade <b>covered property</b> that was physically damaged or lost in order to meet “Green” standards, as defined by Leadership in Energy and Environment Design (LEED).</p> <p>Coverage under this subsection W does not apply to upgrades for any personal property, merchandise, or stock.</p>
Key and lock expense	<p>X. expenses <b>you</b> incur to replace locks, alarms, keys, and doors at any affected <b>insured location(s)</b>.</p>

## Municipalities Terrorism and Sabotage Coverage Part

Landscaping	Y. physical damage to or loss of outdoor trees, shrubs, plants, or lawns at any affected <b>insured location(s)</b> . However, <b>we</b> will not pay for outdoor trees, shrubs, plants, or lawns grown commercially or held for sale by <b>you</b> , or for any growing crops.
Leasehold interest	Z. the unamortized value of undamaged <b>tenant improvements and betterments</b> if <b>your</b> lease is canceled due to direct physical damage to or loss of <b>covered property</b> , provided the cancellation is pursuant to a valid condition of <b>your</b> lease.
Loss of attraction	AA. the actual amount of the reduction in sales sustained for a period greater than the <b>waiting period</b> but not to exceed the number of days stated in the Declarations, provided the <b>act of terrorism or sabotage</b> takes place at a location that is not owned or operated by <b>you</b> and is situated within the number of miles stated in the Declarations of the affected <b>insured location(s)</b> .
Miscellaneous unnamed locations	<p>BB. physical damage to or loss of property at any location which is not on file with <b>us</b> as an <b>insured location</b>.</p> <p>Coverage will apply to such property only to the extent this Coverage Part would have applied had <b>you</b> declared the location to <b>us</b> and <b>we</b> agreed to add the location as an <b>insured location</b>.</p> <p>In no event will there be any coverage under this subsection BB for any property that is located:</p> <ol style="list-style-type: none"> <li>1. at any location covered under Coverage enhancement CC. Newly acquired locations; or</li> <li>2. within a <b>restricted area</b>.</li> </ol>
Newly acquired locations	<p>CC. physical damage to or loss of property at any location <b>you</b> construct, rent, lease, or purchase after the inception of the <b>policy period</b>.</p> <p><b>We</b> will only provide this additional coverage if:</p> <ol style="list-style-type: none"> <li>1. the additional values are reported to <b>us</b> within the number of days stated in the Declarations from the date of construction, rental, lease, or purchase;</li> <li>2. <b>you</b> pay any additional premium determined by <b>us</b> within 30 days of reporting the additional values; and</li> <li>3. such additional property is not insured by any other insurance policy or located in a <b>restricted area</b>.</li> </ol> <p>With respect to any additional property(ies) that meet parts 1 and 2 but not part 3 above, <b>we</b> may still agree to provide coverage for such properties, but only if <b>you</b> report the additional property to <b>us</b> before it becomes <b>your</b> risk and pay any additional premium as <b>we</b> may reasonably require.</p> <p>If <b>you</b> fail to report any newly acquired location within the designated number of days stated in the Declarations, <b>we</b> may still agree to provide coverage for such property under Coverage enhancement BB. Miscellaneous unnamed locations, if purchased.</p> <p><b>We</b> agree to return a portion of the premium paid for property divested during the <b>policy period</b>, provided <b>you</b> report any such divested property to <b>us</b> on a quarterly basis.</p> <p>However, <b>we</b> will not pay for damage to or loss of:</p> <ol style="list-style-type: none"> <li>a. stock;</li> <li>b. contents at a fair, trade show, or exhibition; or</li> <li>c. property of others temporarily in <b>your</b> possession in the course of:             <ol style="list-style-type: none"> <li>i. installing or performing work on such property; or</li> <li>ii. <b>your</b> manufacturing or wholesaling activities.</li> </ol> </li> </ol>
Property in the course of construction	DD. physical damage to or loss of property at any <b>insured location(s)</b> which is undergoing new construction, renovations, remodeling, or rehabilitation at the time of the <b>act of terrorism or sabotage</b> .

## Municipalities Terrorism and Sabotage Coverage Part

- Rental income      EE. **income loss** and **extra expense** during the **period of restoration** directly caused by the loss of rental income at the **insured location(s)** sustained for a period greater than the **waiting period**. **We** will only pay for **income loss** sustained by those **insured location(s)** situated within the number of miles stated on the Declarations of the **act of terrorism or sabotage**. Loss due to **your** issuing partial or full refunds to **your** tenants or guests will be calculated as part of rental income.
- Soft costs      FF. the following expenses, that are over and above normal expenses, incurred for any affected **insured location(s)** undergoing alterations or additions to existing property, or which has property in the course of construction at the time of the **act of terrorism or sabotage**:
1. costs to rearrange loans necessary for the completion of construction, repairs, or reconstruction, including costs to arrange refinancing, fees for accountants or attorneys to prepare the restructured financing and documentation, and charges for loan renewals or extensions;
  2. the cost of returning any commitment fees received by prospective tenants, licensees, or purchasers or the cost of re-leasing and marketing the **insured location(s)** due to loss of a tenant(s), licensee(s), or purchaser(s);
  3. fees for architects, engineers, consultants, attorneys, or accountants needed for the completion of construction, repairs, or reconstruction; or
  4. carrying costs, building permits, additional interest on loans, insurance premiums, or property and realty taxes.
- We** will only pay expenses incurred from the time of the **occurrence** until the time when the property is restored to the same degree of completion as existed prior to the **occurrence**, such time period not to exceed 180 calendar days.

**Our** obligation to make any payments under this Section II ends when **we** have used up the Municipalities Terrorism and Sabotage Limit of Liability stated in the Declarations.

**You** must incur loss in excess of the applicable **deductible** before **we** will be obligated to make any payments under this Section II, and all such payments will be a part of, and not in addition to, the Municipalities Terrorism and Sabotage Limit of Liability stated in the Declarations.

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### III. Your obligations

- Notifying us of occurrences      A. **You** must give written notice to **us** of any **act of terrorism or sabotage** as soon as reasonably possible.
- All such notifications must be in writing and submitted to **us** via the designated email address or mailing address identified in Item 6 of the Declarations.
- Deductible      B. **We** will not be obligated to make any payments under this Coverage Part unless the covered loss **you** sustain from an **occurrence**, regardless of the number of locations affected, is greater than the **deductible**, in which case **we** will only be responsible for the amount of loss in excess of such **deductible**.
- If loss covered under this Coverage Part includes loss to which more than one **deductible** applies, **we** will apply only the single, highest deductible to the entire loss resulting from the same **occurrence**.
- Emergency repairs      C. In the event of an **act of terrorism or sabotage**, **you** must make any emergency repairs necessary to protect **covered property** from further loss or damage.
- Proof of loss      D. Before **we** make any claim payment, **you** must give **us** a signed proof of loss as soon as reasonably possible. If **we** have not received such proof from **you** within 12 months after the end of the **policy period**, **we** will have no obligation to make any payments with respect to that claim.

**IV. Settlement and valuation**

Salvage and recoveries A. All salvages, recoveries, and payments recovered or received subsequent to a loss settlement under this Coverage Part will be for **our** benefit.

Valuation B. 1. Accounts receivable:  
 When there is proof of physical damage to or loss of **your accounts receivable** records and **you** cannot accurately establish the total amount of **accounts receivable** outstanding as of the date of such damage or loss, **we** will calculate the amount of the loss by taking into consideration the following:

- a. the monthly average of **accounts receivable** during the 12 months immediately preceding the date of the **occurrence**;
- b. the trend of **your** business and variations before and after the **occurrence** so that allowances are made for any material variations or changed circumstances;
- c. the normal fluctuations in the amount of **accounts receivable** within the fiscal month involved; and
- d. the amount of **accounts receivable** supported by records which were not lost or damaged, or that **you** otherwise establish or collect to allow for probable bad debts which **you** normally would not have been able to collect.

If it is possible to reconstruct **accounts receivable** records so that no shortage is sustained, **we** will only pay the reasonable and necessary costs incurred to re-establish or reconstruct such records, and not for any costs covered by any other insurance.

2. Business interruption:  
 In calculating **income loss**, **we** will take into consideration:

- a. the actual earnings at the **insured location** during the 12 months immediately preceding the date of the **occurrence**; and
- b. the trend of **your** operations and variations before and after the **occurrence** so that allowances are made for any material variations or changed circumstances, whether relating to market conditions or otherwise.

When fully adjusted, the **income loss** payable will represent as nearly as possible the earnings **you** would have realized during the **period of restoration** had the **occurrence** not occurred.

If **you** could have reduced the total **income loss** or **extra expense** resulting from the interruption of operations by:

- i. a complete or partial resumption of the operations;
- ii. making use of merchandise, stock, or other property at the **insured location(s)** or elsewhere; and/or
- iii. using or increasing operations elsewhere,

**we** will take such possible reduction of loss into account when calculating the amount of loss **we** will pay.

If **we** and **you** do not agree on the amount of **income loss** and/or **extra expense**, either party may make a written demand for an appraisal of such loss. If such demand is made, each party will select a competent and impartial appraiser. The appraisers will then jointly select an umpire. If the appraisers cannot agree on an umpire, they may request that such selection be made by a judge of a court having jurisdiction. Each appraiser will separately state the amount of **income loss** and/or **extra expense**. If the appraisers do not agree on the amount of the loss, they will submit their differences to the umpire. Agreement by the umpire and at least one of the appraisers regarding the amount of the **income loss** and/or **extra expense** will be binding on **you** and **us**. Each party will pay their respective chosen appraiser and will equally share the costs of the umpire.

## Municipalities Terrorism and Sabotage Coverage Part

### 3. Fine arts:

In the event of physical damage to or loss of **fine arts**, the most **we** will pay is the least of the following:

- a. reasonable and necessary costs to repair or restore the item(s) to its condition on the date of loss;
- b. replacement cost; or
- c. value of the item(s), as declared to **us** and stated in Item 5 of the Declarations.

If an item is part of a pair or set and cannot be replaced, repaired, or restored to its condition on the date of loss, **we** will pay the lesser of the:

- i. full value of the pair or set; or
- ii. value of the item, as stated in the Declarations,

provided **you** surrender the pair or set to **us**.

### 4. Physical damage to other property:

In the event of physical damage to or loss of **covered property** other than **fine arts**, **we** will pay the cost of repairing, replacing, or reinstating (whichever is the least) such property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

- a. the repairs, replacement, or reinstatement must be executed promptly and with due diligence;
- b. until repairs, replacement, or reinstatement is made, **we** will have no obligation to pay more than the actual cash value at the time of loss; and
- c. if repairs, replacement, or reinstatement with material of like kind and quality is restricted or prohibited by any by-laws or law, **we** will have no obligation to pay any increased cost of replacement due to such restriction or prohibition.

**Our** liability for loss under this Coverage Part will not exceed the least of the following:

- i. the amount shown in the Declarations applicable to the destroyed or damaged property;
- ii. the replacement cost of the property or any part of such property which was intended for the same occupancy and use, as calculated at the time of the loss; or
- iii. the amount actually and necessarily spent in replacing the property or any part of it.

**We** will normally expect **you** to carry out repair or replacement of the damaged property, but if **we** and **you** agree it is not practicable or reasonable to do so, **we** will pay **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs not otherwise incurred.

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## V. Other provisions affecting coverage

Abandonment

- A. There may be no abandonment to **us** of any property.

Inspection and audit

- B. **We** will have the right to inspect any **insured location** at any time.

**Our** right to make inspections, the making of any such inspections, and any report regarding such inspections will not constitute an undertaking to determine or warrant that any property is safe.

**We** may examine and audit **your** books and records as they relate to this Coverage Part at any time during the **policy period** and up to two years afterward.

## Municipalities Terrorism and Sabotage Coverage Part

### Loss payees

- C. 1. In the event there is a specified lender loss payee or mortgagee ("loss payee") with an interest in **covered property**, **we** will pay for loss to such **covered property** to each loss payee under all present or future mortgages according to their respective interests. **We** will pay the loss payees in order of precedence of the mortgages.
2. The loss payee agrees to notify **us** of any change in ownership, occupancy, or hazard and agrees to pay any additional premium associated with such change, as **we** may reasonably require, within ten days of receiving a written request from **us**. If the loss payee fails to pay the additional premium, **we** will have the right to cancel this policy.
- However, **we** will not invalidate the interests of any loss payee under this Coverage Part because of any:
- act of neglect of the debtor, mortgagor, or owner of the **covered property**;
  - foreclosure, notice of sale, or similar proceedings with respect to the **covered property**;
  - change in the title or ownership of the **covered property**; or
  - change to a more hazardous occupancy.
3. If **you** fail to provide **us** with a proof of loss in accordance with Section III. Your obligations, the loss payee may provide it on **your** behalf. In that event, the loss payee will be subject to the provisions of this Coverage Part regarding **our** receipt and settlement of claims.
4. If **we** cancel this policy and/or any interest of the loss payee under this Coverage Part, **we** will give the loss payee 90 days written notice before the effective date of cancellation, or ten days if the cancellation is due to nonpayment of premium. In the event of nonpayment of premium, the loss payee must pay the premium due on the debtor, mortgagor, or owner's behalf or **we** will cancel this policy.
5. If **you** cancel this policy, coverage available to the loss payee will terminate ten days after **we** provide the loss payee written notice of cancellation, unless:
- the loss payee authorizes or otherwise consents to **your** cancellation before **we** terminate the policy; or
  - you** replace this policy with insurance providing coverage for the interests of the loss payee, in which case, coverage provided to the loss payee under this Coverage Part will terminate on the effective date of the replacement policy.
6. Notwithstanding anything to the contrary in the General Terms and Conditions, Section IV. Other provisions affecting coverage, L. Recovery from third parties, if **we** pay the loss payee for any loss but deny payment to the debtor, mortgagor, or owner, **we** will be subrogated to all of the rights of the loss payee.
- No subrogation will impair the right of the loss payee to sue or recover the full amount of its claim.
7. At **our** option, **we** may pay to the loss payee the whole principal due on the debt or mortgage plus any accrued interest. In that event, all rights and securities will be assigned and transferred from the loss payee to **us**, and **we** will pay the remaining debt or mortgage.

### Protection maintenance

- D. **You** and **we** agree that any protection provided for the safety of **covered property** will be maintained in good order throughout the **policy period** and will be in use at all relevant times. **You** agree not to withdraw or vary this protection to the detriment of **our** interests without **our** consent.

### Service interruption

- E. In the event of an interruption to **your** business operations covered under Coverage enhancement N. Service interruption, **you** must immediately notify the applicable supplier(s) of the interruption to such services.

## Municipalities Terrorism and Sabotage Coverage Part

### VI. Exclusions - What is not covered

We will have no obligation to pay any sums under this Coverage Part for any:

- |                                 |  |
|---------------------------------|--|
| Biological/chemical weapons     | 1. loss caused directly or indirectly by the dispersal of or contamination by any biological or chemical agents, compounds, or pathogens, however such dispersal or contamination may have been caused.  |
| Bookkeeping errors              | 2. loss arising out of bookkeeping, accounting, or billing errors or omissions, or any alteration, falsification, manipulation, concealment, destruction, or disposal of <b>accounts receivable</b> records.   |
| Burglary/theft                  | 3. loss arising out of burglary, housebreaking, looting, theft, or larceny.  |
| Contraband                      | 4. loss arising out of acts of contraband or illegal transportation or trade.  |
| Electronic loss                 | 5. loss by electronic means, including but not limited to computer hacking, the introduction of any form of computer virus or corrupting or unauthorized instructions or code, or the use of any electromagnetic weapon; however, this exclusion will not apply to otherwise covered loss or damage which arises from the use of any computer, computer system, computer software program, or any other electronic system in the launch or guidance system or firing mechanism of any weapon or missile. |
| Fines and penalties             | 6. fine, penalty, or other assessment against <b>you</b> or imposed by any court, government agency, public or civil authority, or any other person or entity.   |
| Government enforcement          | 7. increase in loss caused by the enforcement of any law regulating the use, reconstruction, repair, or demolition of any property to which this Coverage Part applies; however, this exclusion will not apply to otherwise covered: <ul style="list-style-type: none"> <li>a. <b>decontamination costs</b>; or</li> <li>b. costs under Coverage enhancement E. Demolition and increased cost of construction .</li> </ul>   |
| Government seizure              | 8. loss by confiscation, nationalization, requisition, detention, embargo, quarantine, seizure, or legal or illegal occupation, unless physical loss or damage is caused directly by an <b>act of terrorism or sabotage</b> .<br><br>However, this exclusion will not apply to otherwise covered <b>income loss</b> under Coverage enhancement B. Civil or military authority.   |
| Indirect and consequential loss | 9. <ul style="list-style-type: none"> <li>a. loss of use, loss of income, or increased cost of working, except for covered <b>business interruption costs</b> and <b>income loss</b>;</li> <li>b. delay or loss of markets, depreciation, or reduction in functionality; or</li> <li>c. consequential or indirect loss or damage, except physical loss or damage not otherwise excluded by this Coverage Part and which results from an <b>act of terrorism or sabotage</b>.</li> </ul>                  |
| Mysterious disappearance        | 10. loss caused directly or indirectly by mysterious disappearance or unexplained loss.  |
| Nuclear incident                | 11. loss caused directly or indirectly by nuclear detonation, nuclear reaction, nuclear radiation, or radioactive contamination, however such nuclear detonation, nuclear radiation, nuclear reaction, or radioactive contamination may have been caused.  |
| Pollution/environmental         | 12. loss arising out of any actual, alleged, or threatened discharge, dispersal, release, or escape of <b>pollutants</b> , including any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize <b>pollutants</b> ; however, this exclusion will not apply to otherwise covered <b>decontamination costs</b> .   |

## Municipalities Terrorism and Sabotage Coverage Part

Preventative measures	13. loss or damage caused by measures taken to prevent, suppress, or control any actual or potential <b>act of terrorism or sabotage</b> , unless <b>we</b> agree in writing prior to such measures taking place.
Protests/strikes/civil commotion	14. loss or damage caused by vandals or other persons committing malicious mischief, or arising out of any protest or strikes, labor unrest, riots, or civil commotion.
Threat or hoax	15. loss or increased cost as a result of a threat of an <b>act of terrorism or sabotage</b> or any hoax.
Transmission lines	16. <b>income loss</b> caused by loss or damage to overhead transmission lines located beyond one mile from the affected <b>insured location(s)</b> .
Utilities	17. loss caused directly or indirectly by cessation, fluctuation, or variation in, or insufficiency of, water, gas, electricity supplies, telecommunications, or any other type of utility or service; however, this exclusion will not apply to loss otherwise covered under Coverage enhancement N. Service interruption.
War	18. loss caused directly or indirectly by war, invasion, or warlike operations (whether or not war is declared), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.

### VII. Definitions

The following definitions apply to this Coverage Part. Additional definitions are contained in the General Terms and Conditions, Section V. Definitions applicable to all Coverage Parts.

**Accounts receivable**

means amounts due from **your** customers that **you** are not able to collect.

**Act of terrorism or sabotage**

means an act, subversive act, series of acts, or use of force or violence by any person or group(s) of persons, whether acting alone, on behalf of, or in connection with any organization(s), committed for political, religious, or ideological purposes, including the intention to influence any government and/or to put the public or any sector of the public in fear for such purposes.

**Business interruption costs**

means the actual **income loss** and **extra expense you** sustain during the **period of restoration** directly caused by an **act of terrorism or sabotage** which interrupts **your** business or operations for a period greater than the **waiting period**.

**Computer equipment**

means:

1. computer mainframes, workstations, or portable computers;
2. discs, tapes, hard drives, cells, flash drives, data cards, or other magnetic or optical recording or storage devices regularly used with a computer system;
3. air conditioning or fire protection equipment used exclusively in computer operations;
4. telephone systems and their component parts; or
5. computer hardware and its related peripheral equipment, such as printers, video display monitors, modems, and servers.

**Covered property**

means the real property and any business personal property declared to **us** as shown in Item 5 of the Declarations. **Covered property** will also include personal property whose value is declared to **us**, provided such property is located at an **insured location** and:

1. owned by **you**, including **your** interest in **tenant improvements and betterments**;
2. owned by **your** officers and employees; or
3. owned by others and in **your** care, custody, or control, but only to the extent:
  - a. **you** are under an obligation to keep such property insured under this policy; or

## Municipalities Terrorism and Sabotage Coverage Part

- b. of **your** legal liability for such property, in which case **we** will have the right and duty to defend that portion of any claim against **you** seeking damages for such physical loss or damage.

**We** have the right to select and appoint counsel to defend **you** against any such claim, and **we** may investigate, negotiate, and settle the claim as **we** deem necessary. Any amounts incurred in the defense, investigation, negotiation, or settlement of such claim will be a part of, and not in addition to, the applicable limit of liability.

**Covered property** does not include:

- a. land or land values;
- b. power transmission, feeder lines, or pipelines not at an **insured location**;
- c. any building or structure, or property inside such building or structure, while such building or structure is vacant, unoccupied, or inoperative for more than 30 days, unless the building or structure is intended to be unoccupied in its normal operations;
- d. aircraft or any other aerial device, or watercraft;
- e. dams, dikes, or levees;
- f. animals, plants, or living things of all types, except for any property covered under Coverage enhancement Y. Landscaping; or
- g. any land conveyance, including vehicles, locomotives, or rolling stock.

However, land motor vehicles designed for travel on public roads (including any attached machinery or equipment):

- i. that are expressly identified as **covered property** in the Declarations or on file with **us**;
- ii. whose values have been declared to **us**; and
- iii. that were located at an **insured location** at the time of damage;

will be included as **covered property**.

**Decontamination costs** means the costs **you** incur to decontaminate any **covered property** which becomes contaminated as a direct result of an **act of terrorism or sabotage** occurring at an **insured location**.

**Decontamination costs** does not include costs or expenses:

1. required for removing contaminated property that is not **covered property**; or
2. required to decontaminate any body of water, groundwater, or water contained within any enclosed tank, piping system, or any other processing equipment.

**Deductible** means:

1. for all loss other than **income loss, extra expense, or your** reduction in sales, the amount stated as the Property Damage Deductible under the Municipalities Terrorism and Sabotage Coverage Part section of the Declarations;
2. for **income loss, extra expense, or your** reduction in sales, the amount stated as the Time Element Deductible under the Municipalities Terrorism and Sabotage Coverage Part section of the Declarations; or
3. if there is no Property Damage Deductible or Time Element Deductible specified, the amount stated as the Deductible under the Municipalities Terrorism and Sabotage Coverage Part section of the Declarations.

**Electronic media** means software programs regularly used with a computer system, data recorded on such computer system, or any original source material used to enter or program such information.

**Extra expense** means the reasonable and necessary expenses **you** incur to minimize the interruption to **your** operations that are over and above the costs that normally would have been incurred in conducting the operations during the same period had no **act of terrorism or sabotage** occurred.

## Municipalities Terrorism and Sabotage Coverage Part

At the end of the **period of restoration**, any remaining useful life or salvage value remaining in property for which **extra expense** was incurred during the **period of restoration** will be deducted and not included in **extra expense**.

The most **we** will pay for **extra expense** is the reasonable and necessary costs and expenses **you** actually incur to minimize the interruption to **your** operations, or **your** expected **income loss**, whichever is less.

**Extra expense** does not include expenses covered under Coverage enhancement, M. Relocation expenses.

### Fine arts

means paintings, rare books, manuscripts, pictures, prints, etchings, drawings, tapestries, bronzes, statues, pottery, porcelain, marble, art glass, stained glass, valuable rugs, sculptures, musical instruments, jewelry, antique furniture, and other *bona fide* works of art or items of rarity or historical value.

### Income loss

means the sum of the following:

1. the net income **you** would have earned had no **act of terrorism or sabotage** occurred; and
2. continuing normal operating expenses **you** incur, including ordinary payroll.

### In transit

means the time period beginning when the property leaves the original point of shipment for transit, and ending when such property arrives at the agreed destination.

### Occurrence

means any one **act of terrorism or sabotage**, or series of **acts of terrorism or sabotage** having the same purpose or cause occurring during any period of 72 consecutive hours, which results in a loss or series of losses. Each **occurrence** will be subject to one **deductible** and a single per **occurrence** limit.

In no event will **we** have any obligation to make any payment under this Coverage Part for any loss resulting from an **occurrence** that first commences prior to the inception of the **policy period**.

If any part of the 72 consecutive hours of the **occurrence** takes place after the end of the **policy period**, **we** will deem all loss as sustained during the **policy period**.

### Period of restoration

means the time period beginning on the date and time of the initial interruption of **your** operations and ending on the date and time the interruption ends or could have ended had **you** acted with due diligence and dispatch. In no event will the **period of restoration** exceed 365 calendar days.

### Pollutants

means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, asbestos, silica, dust, nanoparticles, fibers, mold, spores, fungi, soot, ash, fumes, acids, alkalis, chemicals, germs, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned, or reclaimed. However, smoke, soot, ash, or fumes from a fire caused by an **act of terrorism or sabotage** are not **pollutants**.

### Restricted area

means a physical location:

1. located within the Manhattan Borough; or
2. identified by any of the following zip codes: (i) 60601; (ii) 60602; (iii) 60603; (iv) 60604; (v) 60605; (vi) 60606; (vii) 60607; (viii) 60608; (ix) 60610; (x) 60611; (xi) 60612; (xii) 60614; (xiii) 60616; (xiv) 60622; (xv) 60654; (xvi) 60661; (xvii) 94102; (xviii) 94103; (xix) 94104; (xx) 94105; (xxi) 94107; (xxii) 94108; (xxiii) 94109; (xxiv) 94111; (xxv) 94115; (xxvi) 94117; (xxvii) 94133; or (xxviii) 94158.

### Tenant improvements and betterments

means fixtures, alterations, installations, or additions **you**:

1. make to a part of a building **you** occupy but do not own; and
2. acquire or make at **your** expense but cannot legally remove.

### Valuable papers

means information that is inscribed, printed, written, recorded, or otherwise stored on:

1. documents, manuscripts, or records;

## Municipalities Terrorism and Sabotage Coverage Part

2. account books or card index systems;
3. deeds, maps, abstracts, or mortgages; or
4. other physical materials on which specific information is stored.

However, **valuable papers** does not include computer data, **electronic media**, library stock, currency, money, or securities.

### Waiting period

means the number of hours stated as such in the Declarations commencing from the date and time on which:

1. the initial interruption to **your** operations occurs; or
2. **your** ingress to or egress from an **insured location** is prevented, whether by order of a civil or military authority or otherwise.

For any Coverage Enhancement to which a **waiting period** applies, **we** will pay otherwise covered loss only if the interruption to **your** operations, prevention of ingress to or egress from the **insured location**, or reduction in revenue at the **insured location(s)**, continues for a period greater than the **waiting period**, in which case **we** will pay for **income loss** or **extra expense** sustained from the date and time the interruption, prevention, or reduction first began, and ending on the time limitation stated in the Coverage Enhancement to which the **waiting period** applies.

## Active Shooter and Malicious Attack Coverage Part

### I. Insuring agreements – What is covered

- |   |  |
|---|--|
| Malicious attack at an insured location | <p>A. <b>We</b> will pay up to the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations for the following loss directly resulting from a <b>malicious attack</b> that occurs during the <b>policy period</b> and at an <b>insured location</b> and is reported to <b>us</b> in accordance with Section III. Your obligations:</p> <ol style="list-style-type: none"> <li>1. direct physical damage to or physical loss of <b>covered property</b> at the <b>insured location</b> where the <b>malicious attack</b> occurred, including any physical damage caused by law enforcement or security forces responding to the <b>malicious attack</b>;</li> <li>2. <b>business interruption costs</b> resulting from the interruption of <b>your</b> business at the <b>insured location</b> where the <b>malicious attack</b> occurred, regardless of whether the <b>malicious attack</b> caused any physical loss or damage to <b>covered property</b>;</li> <li>3. <b>extended period of indemnity</b> resulting from the interruption of <b>your</b> business at the <b>insured location</b> where the <b>malicious attack</b> occurred; or</li> <li>4. <b>ingress/egress income loss</b> directly caused by the interruption of <b>your</b> business at the <b>insured location</b> where the <b>malicious attack</b> occurred.</li> </ol> |
| Malicious attack at other locations     | <p>B. <b>We</b> will pay up to the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations for the following loss directly resulting from a <b>malicious attack</b> that occurs during the <b>policy period</b> and at a location <b>you</b> do not own or operate situated within a one-mile radius of any <b>insured location</b>, and is reported to <b>us</b> in accordance with Section III. Your obligations:</p> <ol style="list-style-type: none"> <li>1. <b>ingress/egress income loss</b> directly caused by the interruption of <b>your</b> business at the <b>insured location</b> situated within a one-mile radius of the <b>malicious attack</b>; or</li> <li>2. <b>loss of attraction</b> to the <b>insured location</b> situated within a one-mile radius of the <b>malicious attack</b>.</li> </ol>  |

### II. Coverage enhancements

If an amount appears on the Declarations next to the name of the sublimit below, which indicates **you** have purchased the coverage, **we** will also pay up to the corresponding sublimit for the following reasonable and necessary costs and expenses **you** incur resulting from a **malicious attack** to which this Coverage Part applies:

- |   |   |
|---|---|
| Additional security measures sublimit             | <p>A. to arrange armed or unarmed agents at the affected <b>insured location</b> or any other <b>insured location</b>, if necessary, but only for such costs and expenses <b>you</b> incur within 90 days of the <b>malicious attack</b>.</p>   |
| Counseling sublimit                               | <p>B. to provide affected persons psychiatric and counseling services and access to social workers, but only for such costs and expenses <b>you</b> incur within 36 months of the <b>malicious attack</b>.</p>  |
| Public relations costs sublimit                   | <p>C. for a public relations or crisis management consultant <b>we</b> contract to assist <b>you</b> in responding to and managing the situation, including media management, remediation and recovery, and the formation of applicable crisis communication strategies, but only for such costs and expenses <b>you</b> incur within 90 days of the <b>malicious attack</b>.</p> |
| Miscellaneous crisis management expenses sublimit | <p>D. other than those costs stated in subsections A, B, and C of this Section II. Coverage enhancements, other expenses to respond to, mitigate, or recover from the <b>malicious attack</b>, but only if incurred with <b>our</b> prior written consent.</p>  |

**We** will pay the above Coverage Enhancements regardless of whether the **malicious attack** caused any physical loss or damage to **covered property**.

## Active Shooter and Malicious Attack Coverage Part

**You** must incur loss in excess of the applicable **deductible** before **we** will be obligated to make any payments under this Section II. Coverage enhancements, and any payments **we** make will be a part of, and not in addition to, the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations.

### III. Your obligations

- |                             |  |
|-----------------------------|--|
| Notifying us of occurrences | <p>A. <b>You</b> must inform the appropriate civil or military authority of a <b>malicious attack</b> as soon as reasonably possible. <b>You</b> must also give <b>us</b> written notice of a <b>malicious attack</b> as soon as reasonably possible, but in any event, no later than 30 days after such <b>malicious attack</b> occurs.</p> <p>All such notifications to <b>us</b> must be in writing and submitted to <b>us</b> via the designated email address or mailing address identified in Item 6 of the Declarations.</p> <p>In order to receive crisis management services, <b>you</b> must notify the consultant identified in Item 6 of the Declarations.</p> |
| Deductible                  | <p>B. <b>We</b> will not be obligated to make any payments under this Coverage Part unless the covered loss <b>you</b> sustain from an <b>occurrence</b>, regardless of the number of locations affected, is greater than the <b>deductible</b>, in which case <b>we</b> will only be responsible for the amount of loss in excess of such <b>deductible</b>.</p>  |
| Emergency repairs           | <p>C. In the event of a <b>malicious attack</b>, <b>you</b> must make any emergency repairs necessary to protect <b>covered property</b> from further loss or damage.</p>  |
| Proof of loss               | <p>D. Before <b>we</b> make any claim payment, <b>you</b> must give <b>us</b> a signed proof of loss as soon as reasonably possible. If <b>we</b> have not received such proof from <b>you</b> within 12 months after the end of the <b>policy period</b>, <b>we</b> will have no obligation to make any payments with respect to that claim.</p>  |

### IV. Settlement and valuation

- |                        |   |
|------------------------|---|
| Salvage and recoveries | <p>A. All salvages, recoveries, and payments recovered or received subsequent to a loss settlement under this Coverage Part will be for <b>our</b> benefit.</p>   |
| Valuation              | <p>B. 1. <u>Business interruption</u></p> <p>In calculating <b>income loss</b>, <b>we</b> will take into consideration:</p> <ol style="list-style-type: none"> <li>a. the actual earnings at the <b>insured location</b> during the 12 months immediately preceding the date of the <b>occurrence</b>; and</li> <li>b. the trend of <b>your</b> business and variations before and after the <b>occurrence</b> so that allowances are made for any material variations or changed circumstances, whether relating to market conditions or otherwise.</li> </ol> <p>When fully adjusted, the <b>income loss</b> payable will represent as nearly as possible the earnings <b>you</b> would have realized during the <b>period of restoration</b> had the <b>occurrence</b> not occurred.</p> <p>If <b>you</b> could have reduced the total <b>income loss</b> or <b>extra expense</b> resulting from the interruption of business by:</p> <ol style="list-style-type: none"> <li>i. a complete or partial resumption of the business operations;</li> <li>ii. making use of merchandise, stock, or other property at the <b>insured location(s)</b> or elsewhere; and/or</li> <li>iii. using or increasing business operations elsewhere,</li> </ol> |

## Active Shooter and Malicious Attack Coverage Part

**we** will take such possible reduction of loss into account when calculating the amount of loss **we** will pay.

If **we** and **you** do not agree on the amount of **income loss** and/or **extra expense**, either party may make a written demand for an appraisal of such loss. If such demand is made, each party will select a competent and impartial appraiser. The appraisers will then jointly select an umpire. If the appraisers cannot agree on an umpire, they may request that such selection be made by a judge of a court having jurisdiction. Each appraiser will separately state the amount of **income loss** and/or **extra expense**. If the appraisers do not agree on the amount of the loss, they will submit their differences to the umpire. Agreement by the umpire and at least one of the appraisers regarding the amount of the **income loss** and/or **extra expense** will be binding on **you** and **us**. Each party will pay their respective chosen appraiser and will equally share the costs of the umpire.

### 2. Physical damage to property

In the event of physical damage to or loss of **covered property**, **we** will pay the cost of repairing, replacing, or reinstating (whichever is the least) such property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

- a. the repairs, replacement, or reinstatement must be executed promptly and with due diligence;
- b. until repairs, replacement, or reinstatement is made, **we** will have no obligation to pay more than the actual cash value at the time of loss; and
- c. if repairs, replacement, or reinstatement with material of like kind and quality is restricted or prohibited by any by-laws or law, then **we** will have no obligation to pay any increased cost of replacement due to such restriction or prohibition.

**Our** liability for loss under this Coverage Part will not exceed the least of the following:

- i. the amount shown in the Declarations applicable to the destroyed or damaged property;
- ii. the replacement cost of the property or any part of it which was intended for the same occupancy and use, as calculated at the time of the loss; or
- iii. the amount actually and necessarily spent in replacing the property or any part of it.

**We** will normally expect **you** to carry out repair or replacement of the damaged property, but if **we** and **you** agree it is not practicable or reasonable to do so, **we** will pay **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs not otherwise incurred.

## V. Other provisions affecting coverage

- |                      |  |
|----------------------|--|
| Abandonment          | A. There may be no abandonment to <b>us</b> of any property.   |
| Inspection and audit | <p>B. <b>We</b> will have the right to inspect any <b>insured location</b> at any time.</p> <p><b>Our</b> right to make inspections, the making of any such inspections, and any report regarding such inspections will not constitute an undertaking to determine or warrant that any property is safe.</p> <p><b>We</b> may examine and audit <b>your</b> books and records as they relate to this Coverage Part at any time during the <b>policy period</b> and within two years afterward.</p> |
| Loss payees          | <p>C. 1. In the event there is a specified lender loss payee or mortgagee ("loss payee") with an interest in <b>covered property</b>, <b>we</b> will pay for loss to such <b>covered property</b> to each</p>  |

## Active Shooter and Malicious Attack Coverage Part

loss payee under all present or future mortgages according to their respective interests. **We** will pay the loss payees in order of precedence of the mortgages.

2. The loss payee agrees to notify **us** of any change in ownership, occupancy, or hazard, and agrees to pay any additional premium associated with such change, as **we** may reasonably require, within ten days of receiving a written request from **us**. If the loss payee fails to pay the additional premium, **we** will have the right to cancel this policy.

However, **we** will not invalidate the interests of any loss payee under this Coverage Part because of any:

- a. act of neglect of the debtor, mortgagor, or owner of the **covered property**;
  - b. foreclosure, notice of sale, or similar proceedings with respect to the **covered property**;
  - c. change in the title or ownership of the **covered property**; or
  - d. change to a more hazardous occupancy.
3. If **you** fail to provide **us** with a proof of loss in accordance with Section III. Your obligations, the loss payee may provide it on **your** behalf. In that event, the loss payee will be subject to the provisions of this Coverage Part regarding **our** receipt and settlement of claims.
  4. If **we** cancel this policy and/or any interest of the loss payee under this Coverage Part, **we** will give the loss payee 90 days written notice before the effective date of cancellation, or ten days if the cancellation is due to nonpayment of premium. In the event of nonpayment of premium, the loss payee must pay the premium due on the debtor, mortgagor, or owner's behalf or **we** will cancel this policy.
  5. If **you** cancel this policy, coverage available to the loss payee will terminate ten days after **we** provide the loss payee written notice of cancellation, unless:
    - a. the loss payee authorizes or otherwise consents to **your** cancellation before **we** terminate the policy; or
    - b. **you** replace this policy with insurance providing coverage for the interests of the loss payee, in which case coverage provided to the loss payee under this Coverage Part will terminate on the effective date of the replacement policy.
  6. Notwithstanding anything to the contrary in the General Terms and Conditions, Section IV. Other provisions affecting coverage, L. Recovery from third parties, if **we** pay the loss payee for any loss but deny payment to the debtor, mortgagor, or owner, **we** will be subrogated to all of the rights of the loss payee.  
 No subrogation will impair the right of the loss payee to sue or recover the full amount of its claim.
  7. At **our** option, **we** may pay to the loss payee the whole principal due on the debt or mortgage plus any accrued interest. In that event, all rights and securities will be assigned and transferred from the loss payee to **us**, and **we** will pay the remaining debt or mortgage.

Protection maintenance

- D. **You** and **we** agree that any protection provided for the safety of **covered property** will be maintained in good order throughout the **policy period** and will be in use at all relevant times. **You** agree not to withdraw or vary this protection to the detriment of **our** interests without **our** consent.

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## VI. Exclusions – What is not covered

**We** will have no obligation to pay any sums under this Coverage Part for any:

Biological/chemical weapons

1. loss caused directly or indirectly by the dispersal of or contamination by any biological or chemical agents, compounds, or pathogens, however such dispersal or contamination may have been caused.

## Active Shooter and Malicious Attack Coverage Part

- |                                  |     |   |
|----------------------------------|-----|---|
| Burglary/theft                   | 2.  | loss arising out of burglary, housebreaking, looting, theft, or larceny.  |
| Contraband                       | 3.  | loss arising out of acts of contraband or illegal transportation or trade.  |
| Electronic loss                  | 4.  | loss by electronic means, including but not limited to computer hacking, the introduction of any form of computer virus or corrupting or unauthorized instructions or code, or the use of any electromagnetic weapon.   |
| Employer liability               | 5.  | loss arising out of <b>your</b> obligations under any employer liability, disability benefits, workers compensation, or similar laws, or loss covered by any workers compensation insurance.  |
| Explosive devices                | 6.  | loss arising out of the use of any explosive device at any location; however, this exclusion will not apply to any explosive device: <ul style="list-style-type: none"> <li>a. set up by law enforcement or security forces responding to the <b>malicious attack</b>; or</li> <li>b. to the extent it is used in conjunction with a firearm, handheld weapon, or moving vehicle in an otherwise covered <b>malicious attack</b>.</li> </ul>  |
| Fines and penalties              | 7.  | fine, penalty, or other assessment against <b>you</b> or imposed by any court, government agency, public or civil authority, or any other person or entity.   |
| Government enforcement           | 8.  | increase in loss caused by the enforcement of any law regulating the use, reconstruction, repair, or demolition of any property to which this Coverage Part applies.  |
| Indirect and consequential loss  | 9.  | <ul style="list-style-type: none"> <li>a. loss of use, loss of income, or increased cost of working, except for covered <b>business interruption costs, extended period of indemnity, ingress/egress income loss, and loss of attraction</b>;</li> <li>b. delay or loss of markets, depreciation, or reduction in functionality; or</li> <li>c. consequential or indirect loss or damage, except physical loss or damage not otherwise excluded by this policy and which results from a <b>malicious attack</b>.</li> </ul> |
| Mysterious disappearance         | 10. | loss caused directly or indirectly by mysterious disappearance or unexplained loss.   |
| Nuclear incident                 | 11. | loss caused directly or indirectly by nuclear detonation, nuclear reaction, nuclear radiation, or radioactive contamination, however such nuclear detonation, nuclear radiation, nuclear reaction, or radioactive contamination may have been caused.   |
| Pollution/environmental          | 12. | loss arising out of any actual or threatened discharge, dispersal, release, or escape of <b>pollutants</b> , including any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize <b>pollutants</b> .   |
| Protests/strikes/civil commotion | 13. | loss or damage caused by vandals or other persons committing malicious mischief, or arising out of any protest or strikes, labor unrest, riots, or civil commotion.   |
| Road rage                        | 14. | loss arising out of a violent physical attack between the driver or passenger of a vehicle toward the driver or passenger of another vehicle.   |
| Threat or hoax                   | 15. | loss or increased cost as a result of a threat of a <b>malicious attack</b> or any hoax; however, this exclusion will not apply where <b>you</b> reasonably believed an actual <b>malicious attack</b> had occurred.  |
| Utilities                        | 16. | loss caused directly or indirectly by cessation, fluctuation, or variation in, or insufficiency of, water, gas, electricity supplies, telecommunications, or any other type of utility or service.  |
| War                              | 17. | loss caused directly or indirectly by war, invasion, or warlike operations (whether or not war is declared), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.  |

## Active Shooter and Malicious Attack Coverage Part

### VII. Definitions

The following definitions apply to this Coverage Part. Additional definitions are contained in the General Terms and Conditions, Section V. Definitions applicable to all Coverage Parts.

**Business interruption costs** means the actual **income loss** and **extra expense you** sustain during the **period of restoration** directly caused by a **malicious attack** which interrupts **your** business for a period greater than the **waiting period**.

**Covered property** means the real property and any business personal property declared to **us** as shown in Item 5 of the Declarations. **Covered property** will also include personal property whose value is declared to **us**, provided such property is located at an **insured location** and:

1. owned by **you**, including **your** interest in **tenant improvements and betterments**;
2. owned by **your** officers and employees; or
3. owned by others and in **your** care, custody, or control, but only to the extent:
  - a. **you** are under an obligation to keep such property insured under this policy; or
  - b. of **your** legal liability for such property, in which case **we** will have the right and duty to defend that portion of any claim against **you** seeking damages for such physical loss or damage.

**We** have the right to select and appoint counsel to defend **you** against any such claim, and **we** may investigate, negotiate, and settle the claim as **we** deem necessary. Any amounts incurred in the defense, investigation, negotiation, or settlement of such claim will be a part of, and not in addition to, the applicable limit of liability.

**Covered property** does not include:

- a. land or land values;
- b. power transmission, feeder lines, or pipelines not at an **insured location**;
- c. any building or structure, or property inside such building or structure, while such building or structure is vacant, unoccupied, or inoperative for more than 30 days, unless the building or structure is intended to be unoccupied in its normal operations;
- d. aircraft or any other aerial device, or watercraft;
- e. animals, plants, or living things of all types; or
- f. any land conveyance, including vehicles, locomotives, or rolling stock.

However, land motor vehicles designed for travel on public roads (including any attached machinery or equipment):

- i. that are expressly identified as **covered property** in the Declarations or on file with **us**;
- ii. whose values have been declared to **us**; and
- iii. that were located at an **insured location** at the time of damage,

will be included as **covered property**.

### Deductible

means the amount stated as such under the Active Shooter and Malicious Attack Coverage Part section of the Declarations.

### Extended period of indemnity

means the actual amount of the reduction in sales sustained during the 90-day period after the **period of restoration** has ended, but only if resulting from:

1. Restoration efforts: efforts to physically restore the business to the condition that would have existed had no **malicious attack** occurred; or
2. Contract cancellation: cancellation of contracts **you** entered into prior to the **malicious attack** for sales that would have been earned during the 90-day period described above.

**Extended period of indemnity** will not include loss due to fines or penalties, or damages for breach of contract or late or non-completion of orders.

## Active Shooter and Malicious Attack Coverage Part

If **you** could have minimized the total reduction in sales by:

- a. a complete or partial resumption of the business operations;
- b. making use of merchandise, stock, or other property at the **insured location** or elsewhere; and/or
- c. using or increasing business operations elsewhere,

**we** will take such possible reduction of loss into account when calculating the amount of loss **we** will pay.

### Extra expense

means the reasonable and necessary expenses **you** incur to minimize the interruption to **your** business operations that are over and above the costs that normally would have been incurred in conducting the business during the same period had no **malicious attack** occurred.

**Extra expense** also includes the reasonable and necessary expenses **you** incur to relocate **your** business to a temporary location in order to avoid or mitigate **your income loss** directly caused by the interruption to **your** business operations.

At the end of the **period of restoration**, any remaining useful life or salvage value remaining in property for which **extra expense** was incurred during the **period of restoration** will be deducted and not included in **extra expense**.

The most **we** will pay for **extra expense** is the reasonable and necessary costs and expenses **you** actually incur to minimize the interruption to **your** business operations, or **your** expected **income loss**, whichever is less.

### Income loss

means the sum of the following:

1. the net income **you** would have earned had no **malicious attack** occurred; and
2. continuing normal operating expenses **you** incur, including ordinary payroll.

### Ingress/egress income loss

means the **income loss** directly caused by the prevention of ingress to or egress from an **insured location**, whether by order of a civil or military authority or otherwise, sustained for a period greater than the **waiting period** but not to exceed ten days after the **malicious attack**.

### Loss of attraction

means the actual amount of the reduction in sales **you** sustain for a period greater than the **waiting period** but not to exceed 30 days after the **malicious attack**.

### Malicious attack

means any event that:

1. involves the use of a firearm, handheld weapon, or moving vehicle, or the use of an explosive device in conjunction with a firearm, handheld weapon, or moving vehicle;
2. is intended to harm another person or group of persons; and
3. is carried out or attempted by any person or group of persons acting alone or on behalf of or in connection with any organization.

### Occurrence

means any one **malicious attack** or series of **malicious attacks** having the same purpose or cause occurring during any period of 72 consecutive hours, which results in a loss or series of losses. Each **occurrence** will be subject to one **deductible** and a single per **occurrence** limit.

In no event will **we** have any obligation to make any payment under this Coverage Part for any loss resulting from an **occurrence** that first commences prior to the inception of the **policy period**.

If any part of the 72 consecutive hours of the **occurrence** takes place after the end of the **policy period**, **we** will deem all loss as sustained during the **policy period**.

### Period of restoration

means the time period beginning on the date and time of the initial interruption of **your** business and ending on the date and time the interruption ends or could have ended had **you** acted with due diligence and dispatch. In no event will the **period of restoration** exceed 180 calendar days.

### Pollutants

means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, asbestos, silica, dust, nanoparticles, fibers, mold, spores, fungi, soot, ash, fumes, acids, alkalis, chemicals, germs, and waste. Waste includes, but is not limited to, materials to be recycled,

## Active Shooter and Malicious Attack Coverage Part

reconditioned, or reclaimed. However, smoke, soot, ash, or fumes from a fire caused by a **malicious attack** are not **pollutants**.

### Tenant improvements and betterments

means fixtures, alterations, installations, or additions **you**:

1. make to a part of a building **you** occupy but do not own; and
2. acquire or make at **your** expense but cannot legally remove.

### Waiting period

means the number of hours stated as such in the Declarations commencing from the date and time on which:

1. the initial interruption to **your** business occurs;
2. **your** ingress to or egress from an **insured location** is prevented, whether by order of a civil or military authority or otherwise; or
3. the **malicious attack** first occurs at a location **you** do not own or operate situated within a one-mile radius of any **insured location**.

For any coverage to which a **waiting period** applies, **we** will pay otherwise covered loss only if the interruption to **your** business, prevention of ingress to or egress from the **insured location**, or reduction in sales at the **insured location(s)**, continues for a period greater than the **waiting period**, in which case **we** will pay for **income loss** or **extra expense** sustained from the date and time the interruption, prevention, or reduction first began, and ending on the time limitation applicable to the coverage to which the **waiting period** applies.

## Active Shooter and Malicious Attack Property and Liability Coverage Part

### I. Insuring agreements – What is covered

Malicious attack at an insured location	<p>A. <b>We</b> will pay up to the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations for the following loss <b>you</b> incur directly resulting from a <b>malicious attack</b> that occurs during the <b>policy period</b> and at an <b>insured location</b> and is reported to <b>us</b> in accordance with Section III. Your obligations:</p> <ol style="list-style-type: none"> <li>1. direct physical damage to or physical loss of <b>covered property</b> at the <b>insured location</b> where the <b>malicious attack</b> occurred, including any physical damage caused by law enforcement or security forces responding to the <b>malicious attack</b>;</li> <li>2. <b>business interruption costs</b> resulting from the interruption of <b>your</b> business at the <b>insured location</b> where the <b>malicious attack</b> occurred, regardless of whether the <b>malicious attack</b> caused any physical loss or damage to <b>covered property</b>;</li> <li>3. <b>extended period of indemnity</b> resulting from the interruption of <b>your</b> business at the <b>insured location</b> where the <b>malicious attack</b> occurred; or</li> <li>4. <b>ingress/egress income loss</b> directly caused by the interruption of <b>your</b> business at the <b>insured location</b> where the <b>malicious attack</b> occurred.</li> </ol>
Malicious attack at other locations	<p>B. <b>We</b> will pay up to the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations for the following loss <b>you</b> incur directly resulting from a <b>malicious attack</b> that occurs during the <b>policy period</b> and at a location <b>you</b> do not own or operate situated within a one-mile radius of any <b>insured location</b>, and is reported to <b>us</b> in accordance with Section III. Your obligations:</p> <ol style="list-style-type: none"> <li>1. <b>ingress/egress income loss</b> directly caused by the interruption of <b>your</b> business at the <b>insured location</b> situated within a one-mile radius of the <b>malicious attack</b>; or</li> <li>2. <b>loss of attraction</b> to the <b>insured location</b> situated within a one-mile radius of the <b>malicious attack</b>.</li> </ol>
Third-party liability	<p>C. <b>We</b> will pay up to the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations for <b>damages</b> and <b>claim expenses</b> for covered <b>claims</b> against <b>you</b> alleging <b>bodily injury</b> or <b>property damage</b> resulting from a <b>malicious attack</b> occurring during the <b>policy period</b> and at any <b>insured location</b>, provided the <b>claim</b> is first made against <b>you</b> within one year after the end of the <b>policy period</b>, and is reported to <b>us</b> in accordance with Section III. Your obligations.</p>
Employers' liability	<p>D. <b>We</b> will pay up to the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations for <b>damages</b> and <b>claim expenses</b> in excess of <b>your employers' liability coverage</b> for covered <b>claims</b> against <b>you</b> alleging <b>bodily injury to your employee</b> during the course of their employment in <b>your</b> business, solely and directly resulting from a <b>malicious attack</b> occurring during the <b>policy period</b> and at any <b>insured location</b>, provided the <b>claim</b> is first made against <b>you</b> within one year after the end of the <b>policy period</b> and is reported to <b>us</b> in accordance with Section III. Your obligations.</p>

### II. Coverage enhancements

If an amount appears on the Declarations next to the name of the sublimit below, which indicates **you** have purchased the coverage, **we** will also pay up to the corresponding sublimit for the following amounts resulting from a **malicious attack** to which this Coverage Part applies:

Additional security measures sublimit	<p>A. reasonable and necessary costs and expenses <b>you</b> incur to arrange armed or unarmed agents at the affected <b>insured location</b> or any other <b>insured location</b>, if necessary, but only for such costs and expenses <b>you</b> incur within 90 days of the <b>malicious attack</b>.</p>
Counseling sublimit	<p>B. reasonable and necessary costs and expenses <b>you</b> incur to provide affected persons psychiatric and counseling services and access to social workers, but only for such costs</p>

## Active Shooter and Malicious Attack Property and Liability Coverage Part

and expenses **you** incur within 36 months of the **malicious attack**.

- |   |   |
|---|---|
| Public relations costs sublimit                   | C. reasonable and necessary costs and expenses <b>you</b> incur for a public relations or crisis management consultant <b>we</b> contract to assist <b>you</b> in responding to and managing the situation, including media management, remediation and recovery, and the formation of applicable crisis communication strategies, but only for such costs and expenses <b>you</b> incur within 90 days of the <b>malicious attack</b> .  |
| Miscellaneous crisis management expenses sublimit | D. other than those costs stated in subsections A, B, and C of this Section II. Coverage enhancements, other reasonable and necessary expenses <b>you</b> incur to respond to, mitigate, or recover from the <b>malicious attack</b> , but only if incurred with <b>our</b> prior written consent.  |
| Medical payments and funeral expenses             | E. <b>medical expenses</b> and <b>funeral expenses</b> incurred by affected persons for <b>bodily injury</b> caused by a <b>malicious attack</b> at an <b>insured location</b> , regardless of fault, provided: <ol style="list-style-type: none"> <li>1. the expenses are incurred within one year of the <b>malicious attack</b>; and</li> <li>2. with respect to <b>medical expenses</b> only, the person who sustained such <b>bodily injury</b> submits to examination, at <b>our</b> expense, by physicians of <b>our</b> choice as often as <b>we</b> may reasonably require.</li> </ol> |

**We** will pay the above Coverage Enhancements regardless of whether the **malicious attack** caused any physical loss or damage to **covered property**.

**You** must incur loss in excess of the applicable **deductible** before **we** will be obligated to make any payments under this Section II. Coverage enhancements, and any payments **we** make will be a part of, and not in addition to, the Active Shooter and Malicious Attack Limit of Liability stated in the Declarations.

### III. Your obligations

- |                                  |   |
|----------------------------------|---|
| Notifying us of occurrences      | A. <b>You</b> must inform the appropriate civil or military authority of a <b>malicious attack</b> as soon as reasonably possible. <b>You</b> must also give written notice to <b>us</b> of a <b>malicious attack</b> as soon as reasonably possible, but in any event, no later than 60 days after such <b>malicious attack</b> occurs.<br><br>All such notifications to <b>us</b> must be in writing and submitted to <b>us</b> via the designated email address or mailing address identified in Item 6 of the Declarations.<br><br>In order to receive crisis management services, <b>you</b> must notify the consultant identified in Item 6 of the Declarations.  |
| Notifying us of claims           | B. <b>You</b> must give written notice to <b>us</b> of any <b>claim</b> as soon as reasonably possible, but in any event, no later than 60 days after <b>you</b> first become aware of the <b>claim</b> .<br><br>All such notifications must be in writing and include a copy of the <b>claim</b> and must be submitted to <b>us</b> via the designated email address or mailing address identified in Item 6 of the Declarations.  |
| Notifying us of potential claims | C. <b>You</b> have the option of notifying <b>us</b> of <b>potential claims</b> that may lead to a covered <b>claim</b> against <b>you</b> .<br><br>In order to do so, <b>you</b> must give written notice to <b>us</b> as soon as possible and within the <b>policy period</b> , and the notice must, to the greatest extent possible, identify the details of the <b>potential claim</b> , including identifying the potential claimant(s), the likely basis for liability, the likely demand for relief, and any additional information about the <b>potential claim</b> <b>we</b> may reasonably request.<br><br>The benefit to <b>you</b> of notifying <b>us</b> of a <b>potential claim</b> is that if an actual <b>claim</b> arises from the same circumstances as the properly notified <b>potential claim</b> , then <b>we</b> will treat that <b>claim</b> as if it had first been made against <b>you</b> on the date <b>you</b> properly notified <b>us</b> of it as a <b>potential claim</b> , even if that <b>claim</b> is first made against <b>you</b> more than one year after the |

## Active Shooter and Malicious Attack Property and Liability Coverage Part

		<b>policy period</b> has expired.
		All <b>potential claim</b> notifications must be in writing and submitted to <b>us</b> via the designated email address or mailing address identified in Item 6 of the Declarations.
Deductible	D.	<p><b>We</b> will not be obligated to make any payments under this Coverage Part unless the covered loss <b>you</b> sustain from a <b>malicious attack</b>, regardless of the number of locations affected, is greater than the <b>deductible</b>, in which case <b>we</b> will only be responsible for the amount of loss in excess of such <b>deductible</b>.</p> <p><b>Our</b> obligation to pay <b>damages</b> and <b>claim expenses</b> under Insuring agreement C. Third-party liability is in excess of the <b>deductible</b>, which <b>you</b> must pay in connection with each covered <b>claim</b>, regardless of the number of locations affected.</p>
Emergency repairs	E.	In the event of a <b>malicious attack</b> , <b>you</b> must make any emergency repairs necessary to protect <b>covered property</b> from further loss or damage.
Maintenance of workers compensation and employers' liability insurance	F.	<p>Solely with respect to Insuring agreement D. Employers' liability, <b>you</b> must maintain <b>employers' liability coverage</b> on a continuous basis during the <b>policy period</b>.</p> <p><b>We</b> will recognize erosion or exhaustion of the limit of liability of the underlying <b>employers' liability coverage</b> only by those losses that otherwise would have been covered under this Coverage Part.</p> <p><b>We</b> will have no obligation to pay any sums under Insuring agreement D. Employers' liability, including any <b>damages</b>, <b>claim expenses</b>, or other covered amounts, for any <b>claim</b> that would be covered by the required <b>employers' liability coverage</b> but for <b>your</b> failure to maintain such coverage.</p>
Proof of loss	G.	Before <b>we</b> make any payment under Insuring agreement A or B, <b>you</b> must give <b>us</b> a signed proof of loss as soon as reasonably possible. If <b>we</b> have not received such proof from <b>you</b> within 12 months after the end of the <b>policy period</b> , <b>we</b> will have no obligation to make any payments with respect to that claim.
Your obligation not to incur any expense or admit liability	H.	<b>You</b> must not make any payment, incur any expense, admit any liability, or assume any obligation without <b>our</b> prior consent. If <b>you</b> do so, it will be at <b>your</b> own cost and expense. However, <b>your</b> compliance with paragraph E. Emergency repairs will not constitute a failure to comply with this condition.

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### IV. Defense, settlement, and valuation

Defense and settlement	A.	<ol style="list-style-type: none"> <li>1. <b>We</b> have the right and the duty to defend any covered <b>claim</b>, even if such <b>claim</b> is groundless, false, or fraudulent.</li> <li>2. <b>We</b> have the right to select and appoint counsel to defend <b>you</b> against a covered <b>claim</b>. <b>You</b> may request in writing that <b>we</b> appoint defense counsel of <b>your</b> own choice, but whether to grant or deny such a request will be at <b>our</b> sole discretion.</li> <li>3. <b>We</b> have the right to solicit and negotiate settlement of any <b>claim</b> but will not enter into a settlement without <b>your</b> consent, which <b>you</b> agree not withhold unreasonably. If <b>you</b> withhold consent to a settlement <b>we</b> recommend and which is acceptable to the party who made the <b>claim</b>, the most <b>we</b> will pay for that <b>claim</b> is:           <ol style="list-style-type: none"> <li>a. the amount of <b>our</b> recommended settlement; and</li> <li>b. <b>claim expenses</b> incurred up to the date of <b>our</b> recommendation.</li> </ol> </li> </ol>
Salvage and recoveries	B.	All salvages, recoveries, and payments recovered or received subsequent to a loss

## Active Shooter and Malicious Attack Property and Liability Coverage Part

settlement under this Coverage Part will be for **our** benefit.

### Valuation

#### C. 1. Business interruption

In calculating **income loss**, **we** will take into consideration:

- a. the actual earnings at the **insured location** during the 12 months immediately preceding the date of the **occurrence**; and
- b. the trend of **your** business and variations before and after the **occurrence** so that allowances are made for any material variations or changed circumstances, whether relating to market conditions or otherwise.

When fully adjusted, the **income loss** payable will represent as nearly as possible the earnings **you** would have realized during the **period of restoration** had the **occurrence** not occurred.

If **you** could have reduced the total **income loss** or **extra expense** resulting from the interruption of business by:

- i. a complete or partial resumption of the business operations;
- ii. making use of merchandise, stock, or other property at the **insured location(s)** or elsewhere; and/or
- iii. using or increasing business operations elsewhere,

**we** will take such possible reduction of loss into account when calculating the amount of loss **we** will pay.

If **we** and **you** do not agree on the amount of **income loss** and/or **extra expense**, either party may make a written demand for an appraisal of such loss. If such demand is made, each party will select a competent and impartial appraiser. The appraisers will then jointly select an umpire. If the appraisers cannot agree on an umpire, they may request that such selection be made by a judge of a court having jurisdiction. Each appraiser will separately state the amount of **income loss** and/or **extra expense**. If the appraisers do not agree on the amount of the loss, they will submit their differences to the umpire. Agreement by the umpire and at least one of the appraisers regarding the amount of the **income loss** and/or **extra expense** will be binding on **you** and **us**. Each party will pay their respective chosen appraiser and will equally share the costs of the umpire.

#### 2. Physical damage to property

In the event of physical damage to or loss of **covered property**, **we** will pay the cost of repairing, replacing, or reinstating (whichever is the least) such property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

- a. the repairs, replacement, or reinstatement must be executed promptly and with due diligence;
- b. until repairs, replacement, or reinstatement is made, **we** will have no obligation to pay more than the actual cash value at the time of loss; and
- c. if repairs, replacement, or reinstatement with material of like kind and quality is restricted or prohibited by any by-laws or law, then **we** will have no obligation to pay any increased cost of replacement due to such restriction or prohibition.

**Our** liability for loss under this Coverage Part will not exceed the least of the following:

- i. the amount shown in the Declarations applicable to the destroyed or damaged property;
- ii. the replacement cost of the property or any part of it which was intended for the same occupancy and use, as calculated at the time of the loss; or
- iii. the amount actually and necessarily spent in replacing the property or any part of it.

## Active Shooter and Malicious Attack Property and Liability Coverage Part

**We** will normally expect **you** to carry out repair or replacement of the damaged property, but if **we** and **you** agree it is not practicable or reasonable to do so, **we** will pay **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs not otherwise incurred.

### V. Other provisions affecting coverage

- |                      |   |
|----------------------|---|
| Abandonment          | A. There may be no abandonment to <b>us</b> of any property.  |
| Inspection and audit | <p>B. <b>We</b> will have the right to inspect any <b>insured location</b> at any time.</p> <p><b>Our</b> right to make inspections, the making of any such inspections, and any report regarding such inspections will not constitute an undertaking to determine or warrant that any property is safe.</p> <p><b>We</b> may examine and audit <b>your</b> books and records as they relate to this Coverage Part at any time during the <b>policy period</b> and within two years afterward.</p>  |
| Joint ventures       | <p>C. With respect to any <b>claim</b> made against a <b>joint venture</b>, <b>we</b> will only pay for the same percentage of covered <b>damages</b> and <b>claim expenses</b> as the percentage of <b>your</b> participation in such <b>joint venture</b>. The insolvency of any members of the <b>joint venture</b> or any other parties will not increase such percentage. This <b>joint venture</b> provision will not apply to any liability of an <b>insured</b> where, as a result of a <b>claim</b>, the terms of the <b>joint venture</b> agreement place the entirety of the <b>joint venture's</b> liability on such <b>insured</b>.</p>  |
| Loss payees          | <p>D.</p> <ol style="list-style-type: none"> <li>1. In the event there is a specified lender loss payee or mortgagee ("loss payee") with an interest in <b>covered property</b>, <b>we</b> will pay for loss to such <b>covered property</b> to each loss payee under all present or future mortgages according to their respective interests. <b>We</b> will pay the loss payees in order of precedence of the mortgages.</li> <li>2. The loss payee agrees to notify <b>us</b> of any change in ownership, occupancy, or hazard, and agrees to pay any additional premium associated with such change, as <b>we</b> may reasonably require, within ten days of receiving a written request from <b>us</b>. If the loss payee fails to pay the additional premium, <b>we</b> will have the right to cancel this policy.<br/>       However, <b>we</b> will not invalidate the interests of any loss payee under this Coverage Part because of any:       <ol style="list-style-type: none"> <li>a. act of neglect of the debtor, mortgagor, or owner of the <b>covered property</b>;</li> <li>b. foreclosure, notice of sale, or similar proceedings with respect to the <b>covered property</b>;</li> <li>c. change in the title or ownership of the <b>covered property</b>; or</li> <li>d. change to a more hazardous occupancy.</li> </ol> </li> <li>3. If <b>you</b> fail to provide <b>us</b> with a proof of loss in accordance with Section III. Your obligations, the loss payee may provide it on <b>your</b> behalf. In that event, the loss payee will be subject to the provisions of this Coverage Part regarding <b>our</b> receipt and settlement of claims.</li> <li>4. If <b>we</b> cancel this policy and/or any interest of the loss payee under this Coverage Part, <b>we</b> will give the loss payee 90 days written notice before the effective date of cancellation, or ten days if the cancellation is due to nonpayment of premium. In the event of nonpayment of premium, the loss payee must pay the premium due on the debtor, mortgagor, or owner's behalf or <b>we</b> will cancel this policy.</li> <li>5. If <b>you</b> cancel this policy, coverage available to the loss payee will terminate ten days after <b>we</b> provide the loss payee written notice of cancellation, unless:</li> </ol> |

## Active Shooter and Malicious Attack Property and Liability Coverage Part

- a. the loss payee authorizes or otherwise consents to **your** cancellation before **we** terminate the policy; or
  - b. **you** replace this policy with insurance providing coverage for the interests of the loss payee, in which case coverage provided to the loss payee under this Coverage Part will terminate on the effective date of the replacement policy.
6. Notwithstanding anything to the contrary in the General Terms and Conditions, Section IV. Other provisions affecting coverage, L. Recovery from third parties, if **we** pay the loss payee for any loss but deny payment to the debtor, mortgagor, or owner, **we** will be subrogated to all of the rights of the loss payee.
- No subrogation will impair the right of the loss payee to sue or recover the full amount of its claim.
7. At **our** option, **we** may pay to the loss payee the whole principal due on the debt or mortgage plus any accrued interest. In that event, all rights and securities will be assigned and transferred from the loss payee to **us**, and **we** will pay the remaining debt or mortgage.

- |                                      |   |
|--------------------------------------|---|
| Protection maintenance               | E. <b>You</b> and <b>we</b> agree that any protection provided for the safety of <b>covered property</b> will be maintained in good order throughout the <b>policy period</b> and will be in use at all relevant times. <b>You</b> agree not to withdraw or vary this protection to the detriment of <b>our</b> interests without <b>our</b> consent.   |
| Related claims and malicious attacks | F. All <b>claims</b> arising out of the same <b>occurrence</b> will be considered a single <b>claim</b> and deemed to have been made at the time the first of such <b>claims</b> is reported to <b>us</b> . All such related <b>claims</b> will be subject to one <b>deductible</b> and a single Each Claim Limit of Liability. Each <b>occurrence</b> will be subject to one <b>deductible</b> and a single Active Shooter and Malicious Attack Limit of Liability.<br><br>In no event will <b>we</b> have any obligation to make any payment under this Coverage Part for any <b>claim</b> or <b>occurrence</b> resulting from a <b>malicious attack</b> which commences prior to the inception of the <b>policy period</b> . |

### VI. Exclusions – What is not covered

- |  |   |
|--|---|
| <b>Exclusions applicable to the entire Coverage Part</b> | <b>We</b> will have no obligation to pay any sums under this Coverage Part for any loss, <b>damages, claim expenses, medical expenses, funeral expenses,</b> or any other amounts:  |
| Biological/chemical weapons                              | 1. based upon or arising out of the dispersal of or contamination by any biological or chemical agents, compounds, or pathogens, however such dispersal or contamination may have been caused.  |
| Bodily injury/property damage of the perpetrator         | 2. based upon or arising out of any <b>bodily injury</b> to or <b>property damage</b> incurred by the perpetrator(s) of a <b>malicious attack</b> .   |
| Electronic loss  | 3. based upon or arising out of an attack by electronic means, including but not limited to computer hacking, the introduction of any form of computer virus or corrupting or unauthorized instructions or code, or the use of any electromagnetic weapon; however, this exclusion will not apply to otherwise covered loss or damage that arises from the use of any computer, computer system, computer software program, or any other electronic system in the launch or guidance system or firing mechanism of any weapon or missile. |
| Explosive devices  | 4. based upon or arising out of the use of any explosive device at any location; however, this exclusion will not apply to any explosive device: <ul style="list-style-type: none"> <li>a. set up by law enforcement or security forces responding to the <b>malicious attack</b>; or</li> </ul>  |

## Active Shooter and Malicious Attack Property and Liability Coverage Part

- b. to the extent it is used in conjunction with a firearm, handheld weapon, or moving vehicle in an otherwise covered **malicious attack**.
- Fines or penalties 5. for any fine, penalty, or other assessment against **you** or imposed by any court, government agency, public or civil authority, or any other person or entity.
- Indirect and consequential loss 6. based upon or arising out of:
  - a. loss of use, loss of income, or increased cost of working, except for covered **business interruption costs, extended period of indemnity, ingress/egress income loss, and loss of attraction**;
  - b. delay or loss of markets, depreciation, or reduction in functionality; or
  - c. consequential or indirect loss or damage, except physical loss or damage not otherwise excluded by this policy and which results from a **malicious attack**.
- Nuclear incident 7. based upon or arising out of nuclear detonation, nuclear reaction, nuclear radiation, or radioactive contamination, however such nuclear detonation, nuclear radiation, nuclear reaction, or radioactive contamination may have been caused.
- Pollution/environmental 8. based upon or arising out of any actual or threatened discharge, dispersal, release, or escape of **pollutants**, including any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize **pollutants**.
- Protests/strikes/civil commotion 9. based upon or arising out of vandals or other persons committing malicious mischief, or arising out of any protest or strikes, labor unrest, riots, or civil commotion.
- Road rage 10. based upon or arising out of a violent physical attack between the driver or passenger of a vehicle toward the driver or passenger of another vehicle.
- Threat or hoax 11. based upon or arising out of a threat of a **malicious attack** or any hoax; however, this exclusion will not apply where **you** reasonably believed an actual **malicious attack** had occurred.
- War 12. based upon or arising out of war, invasion, or warlike operations (whether or not war is declared), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
- Exclusions applicable only to first-party loss** **We** will have no obligation to pay any sums under Insuring agreement A. Malicious attack at an insured location or Insuring agreement B. Malicious attack at other locations, for any:
  - Burglary/theft 13. loss arising out of burglary, housebreaking, looting, theft, or larceny.
  - Contraband 14. loss arising out of acts of contraband or illegal transportation or trade.
  - Government enforcement 15. increase in loss caused by the enforcement of any law regulating the use, reconstruction, repair, or demolition of any property to which this Coverage Part applies.
  - Mysterious disappearance 16. loss caused directly or indirectly by mysterious disappearance or unexplained loss.
  - Utilities 17. loss caused directly or indirectly by cessation, fluctuation, or variation in, or insufficiency of, water, gas, electricity supplies, telecommunications, or any other type of utility or service.
- Exclusions applicable only to claims** **We** will have no obligation to pay any sums under Insuring agreement C. Third-party liability or Insuring agreement D. Employers' liability, including any **damages** or **claim expenses**, for any **claim**:
  - Criminal proceedings 18. brought in the form of a criminal proceeding, including but not limited to a criminal investigation, grand jury proceeding, or criminal action.

## Active Shooter and Malicious Attack Property and Liability Coverage Part

Harassment and personal injury	19. based upon or arising out of: <ol style="list-style-type: none"> <li>a. wrongful termination, discrimination, harassment, false arrest, slander, invasion of privacy, or assault or battery of any employee; or</li> <li>b. humiliation, mental anguish, emotional distress, suffering, or shock when alleged in conjunction with and based on the same allegations as a above.</li> </ol>
Intentional acts of the insured	20. based upon or arising out of <b>your</b> : <ol style="list-style-type: none"> <li>a. recklessness or deliberate misconduct; or</li> <li>b. criminal, dishonest, fraudulent, or malicious conduct.</li> </ol>
Products/goods	21. based upon or arising out of products or goods that <b>you</b> designed, manufactured, constructed, altered, repaired, serviced, treated, sold, supplied, or distributed.
Property damage of the insured	22. based upon or arising out of loss of or damage to property: <ol style="list-style-type: none"> <li>a. <b>you</b> own, lease, rent, or occupy; or</li> <li>b. is in the care, custody, or control of <b>you</b> or any person or entity with whom <b>you</b> have a contractual agreement.</li> </ol>
<b>Exclusions applicable only to Insuring agreement C. Third-party liability</b>	
Employer-related liability	23. based upon or arising out of injury or death to any of <b>your employees</b> , including any temporary, contract, or borrowed employee, or based upon or arising out of any employer liability, disability benefits, workers compensation, unemployment compensation, or similar laws, or amounts covered by any workers compensation insurance.

### VII. Definitions

The following definitions apply to this Coverage Part. Additional definitions are contained in the General Terms and Conditions, Section V. Definitions applicable to all Coverage Parts.

<b>Bodily injury</b>	means physical injury, sickness, disease, or death, and any resulting humiliation, mental anguish, emotional distress, suffering, or shock.
<b>Business interruption costs</b>	means the actual <b>income loss</b> and <b>extra expense you</b> sustain during the <b>period of restoration</b> directly caused by a <b>malicious attack</b> which interrupts <b>your</b> business for a period greater than the <b>waiting period</b> .
<b>Claim</b>	means any written assertion of liability or any written demand for financial compensation or non-monetary relief.
<b>Claim expenses</b>	means the following sums incurred with <b>our</b> prior written consent: <ol style="list-style-type: none"> <li>1. all reasonable and necessary fees, costs, and expenses (including the fees of attorneys and experts) incurred in the investigation, defense, or appeal of a <b>claim</b>; and</li> <li>2. premiums on any appeal bond, attachment bond, or similar bond, but <b>we</b> will have no obligation to apply for or furnish any such bonds.</li> </ol> <p><b>Claim expenses</b> does not include any compensation, severance, salary, wages, fees, benefits, overhead, charges, or expenses <b>you</b> incur for any time spent in cooperating in the defense, settlement, or investigation of any <b>claim</b>.</p>
<b>Covered property</b>	means the real property and any business personal property declared to <b>us</b> as shown in Item 5 of the Declarations. <b>Covered property</b> will also include personal property whose value is declared to <b>us</b> , provided such property is located at an <b>insured location</b> and: <ol style="list-style-type: none"> <li>1. owned by <b>you</b>, including <b>your</b> interest in <b>tenant improvements and betterments</b>;</li> </ol>

## Active Shooter and Malicious Attack Property and Liability Coverage Part

2. owned by **your** officers and employees; or
3. owned by others and in **your** care, custody, or control, but only to the extent:
  - a. **you** are under an obligation to keep such property insured under this policy; or
  - b. of **your** legal liability for such property, in which case **we** will have the right and duty to defend that portion of any claim against **you** seeking damages for such physical loss or damage.

**We** have the right to select and appoint counsel to defend **you** against any such claim, and **we** may investigate, negotiate, and settle the claim as **we** deem necessary. Any amounts incurred in the defense, investigation, negotiation, or settlement of such claim will be a part of, and not in addition to, the applicable limit of liability.

**Covered property** does not include:

- a. land or land values;
- b. power transmission, feeder lines, or pipelines not at an **insured location**;
- c. any building or structure, or property inside such building or structure, while such building or structure is vacant, unoccupied, or inoperative for more than 30 days, unless the building or structure is intended to be unoccupied in its normal operations;
- d. aircraft or any other aerial device, or watercraft;
- e. animals, plants, or living things of all types; or
- f. any land conveyance, including vehicles, locomotives, or rolling stock.

However, land motor vehicles designed for travel on public roads (including any attached machinery or equipment):

- i. that are expressly identified as **covered property** in the Declarations or on file with **us**;
- ii. whose values have been declared to **us**; and
- iii. that were located at an **insured location** at the time of damage,

will be included as **covered property**.

### Damages

means the following amounts:

1. a monetary judgment or monetary award that **you** are legally obligated to pay (including pre- or post-judgment interest and awards of claimants' attorney fees); or
2. a monetary settlement **we** negotiate with **your** consent.

**Damages** includes punitive damages to the full extent they are insurable under the law of any applicable jurisdiction that most favors coverage.

### Deductible

means the amount stated as such under the Active Shooter and Malicious Attack Property and Liability Coverage Part section of the Declarations.

### Employee

means any past, present, or future:

1. employee (including any part-time, seasonal, leased, or temporary employee or any volunteer);
2. partner, director, officer, or board member (or equivalent position); or
3. independent contractor,

of a **named insured**, but only while in the course of their performance of work or services on behalf of or at the direction of the **named insured**, and provided such individual would be eligible for coverage under **your employers' liability coverage**.

### Employers' liability coverage

means:

1. compulsory insurance coverage required by law in connection with **your** liability to

## Active Shooter and Malicious Attack Property and Liability Coverage Part

**employees**, or, if such coverage is not required by law, then the functional equivalent of such coverage; and

2. insurance coverage for **damages** and/or **claim expenses** for a **claim** brought against **you** by an **employee** or other third party for conduct outside the normal risk of employment or where the **employee** is not subject to an applicable state's workers compensation law.

### Extended period of indemnity

means the actual amount of the reduction in sales sustained during the 90-day period after the **period of restoration** has ended, but only if resulting from:

1. Restoration efforts: efforts to physically restore the business to the condition that would have existed had no **malicious attack** occurred; or
2. Contract cancellation: cancellation of contracts **you** entered into prior to the **malicious attack** for sales that would have been earned during the 90-day period described above.

**Extended period of indemnity** will not include loss due to fines or penalties, or damages for breach of contract or late or non-completion of orders.

If **you** could have minimized the total reduction in sales by:

- a. a complete or partial resumption of the business operations;
- b. making use of merchandise, stock, or other property at the **insured location** or elsewhere; and/or
- c. using or increasing business operations elsewhere,

**we** will take such possible reduction of loss into account when calculating the amount of loss **we** will pay.

### Extra expense

means the reasonable and necessary expenses **you** incur to minimize the interruption to **your** business operations that are over and above the costs that normally would have been incurred in conducting the business during the same period had no **malicious attack** occurred.

**Extra expense** also includes the reasonable and necessary expenses **you** incur to relocate **your** business to a temporary location in order to avoid or mitigate **your income loss** directly caused by the interruption to **your** business operations.

At the end of the **period of restoration**, any remaining useful life or salvage value remaining in property for which **extra expense** was incurred during the **period of restoration** will be deducted and not included in **extra expense**.

The most **we** will pay for **extra expense** is the reasonable and necessary costs and expenses **you** actually incur to minimize the interruption to **your** business operations, or **your** expected **income loss**, whichever is less.

### Funeral expenses

means reasonable expenses for:

1. burial, cremation, or other funeral-related services; and
2. the transportation of bodily remains to a location where such burial, cremation, or other funeral-related services are performed.

### Income loss

means the sum of the following:

1. the net income **you** would have earned had no **malicious attack** occurred; and
2. continuing normal operating expenses **you** incur, including ordinary payroll.

### Ingress/egress income loss

means the **income loss** directly caused by the prevention of ingress to or egress from an **insured location**, whether by order of a civil or military authority or otherwise, sustained for a period greater than the **waiting period** but not to exceed ten days after the **malicious attack**.

### Joint venture

means a business enterprise in which **you** participate pursuant to a written agreement.

### Loss of attraction

means the actual amount of the reduction in sales **you** sustain for a period greater than the

## Active Shooter and Malicious Attack Property and Liability Coverage Part

**waiting period** but not to exceed 30 days after the **malicious attack**.

### Medical expenses

means reasonable expenses for necessary:

1. first aid administered at the time of a **malicious attack**;
2. medical, surgical, x-ray, and dental services, including prosthetic devices; and
3. ambulance, hospital, and professional nursing services.

### Malicious attack

means any event that:

1. involves the use of a firearm, handheld weapon, or moving vehicle, or the use of an explosive device in conjunction with a firearm, handheld weapon, or moving vehicle;
2. is intended to harm another person or group of persons; and
3. is carried out or attempted by any person or group of persons acting alone or on behalf of or in connection with any organization.

### Occurrence

means any one **malicious attack** or series of **malicious attacks** having the same purpose or cause occurring during any period of 72 consecutive hours, which results in a loss or series of losses. Each **occurrence** will be subject to one **deductible** and a single per **occurrence** limit.

If any part of the 72 consecutive hours of the **malicious attack** takes place after the end of the **policy period**, **we** will deem all loss as sustained during the **policy period**.

If a **malicious attack** or series of **malicious attacks** having the same purpose or cause first commences prior to the inception of the **policy period**, **we** will deem the entire **malicious attack** to have occurred prior to the **policy period**.

### Period of restoration

means the time period beginning on the date and time of the initial interruption of **your** business and ending on the date and time the interruption ends or could have ended had **you** acted with due diligence and dispatch. In no event will the **period of restoration** exceed 180 calendar days.

### Pollutants

means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, asbestos, silica, dust, nanoparticles, fibers, mold, spores, fungi, soot, ash, fumes, acids, alkalis, chemicals, germs, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned, or reclaimed. However, smoke, soot, ash, or fumes from a fire caused by a **malicious attack** are not **pollutants**.

### Potential claim

means any **bodily injury** or **property damage**, or other circumstances reasonably likely to lead to a **claim** covered under this Coverage Part.

### Property damage

means physical loss of or physical damage to or destruction of any tangible property, including the resulting loss of use of that property.

### Tenant improvements and betterments

means fixtures, alterations, installations, or additions **you**:

1. make to a part of a building **you** occupy but do not own; and
2. acquire or make at **your** expense but cannot legally remove.

### Waiting period

means the number of hours stated as such in the Declarations commencing from the date and time on which:

1. the initial interruption to **your** business occurs;
2. **your** ingress to or egress from an **insured location** is prevented, whether by order of a civil or military authority or otherwise; or
3. the **malicious attack** first occurs at a location **you** do not own or operate situated within a one-mile radius of any **insured location**.

For any coverage to which a **waiting period** applies, **we** will pay otherwise covered loss only if the interruption to **your** business, prevention of ingress to or egress from the **insured location**, or reduction in sales at the **insured location(s)**, continues for a period greater than the **waiting**

## Active Shooter and Malicious Attack Property and Liability Coverage Part

**period**, in which case **we** will pay for **income loss** or **extra expense** sustained from the date and time the interruption, prevention, or reduction first began, and ending on the time limitation applicable to the coverage to which the **waiting period** applies.



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520 Madison Avenue 32nd Floor, New York, NY 10022  
(646) 452-2353

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**Endorsement 1**

APPLICANT NAME: Webb County, Texas

**E2007.4 Lloyd's Syndicate (33) Endorsementt**

Proportion Percent: 100%

Syndicate: 33

Contract #: B1234HISINC2020

Binder Registration Date: September 12, 2019

Authorization Date: December 22, 2005



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## **Endorsement 2**

APPLICANT NAME: Webb County, Texas

### **E2010.1 Premium Payment Clause (Reinsurance)**

In consideration of the premium charged, and on the understanding this endorsement leaves all other terms, conditions, and exclusions unchanged, it is agreed:

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of nonpayment of premium only, the following clause will apply.

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within 30 days of inception of this contract (or, in respect of installment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the 30th day from the inception of this contract (and, in respect of installment premiums, by the date they are due) (Re) Insurers will have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re) Insurers are on risk but the full contract premium will be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers will give not less than 30 days prior notice of cancellation to the (Re) Insured via the broker. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation will automatically be revoked. If not, the contract will automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.



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**Endorsement 3**

APPLICANT NAME: Webb County, Texas

**E2013.1 Service of Suit Endorsement**

In consideration of the premium charged, and on the understanding this endorsement leaves all other terms, conditions, and exclusions unchanged, it is agreed:

In the event **we** fail to pay any amount claimed to be due under this policy, **we** agree to submit to the jurisdiction of a Court of competent jurisdiction within the United States at **your** request. Nothing in this clause is intended to constitute a waiver of **our** right 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.

With the exception of any risks located in the jurisdictions below, service of process in any suit against **us** may be made on:

Hiscox Inc.  
520 Madison Ave. - 32nd Floor  
New York, NY 10022  
Attn: Head of Claims

For any policy in the jurisdictions listed below, service of process in any suit against **us** must be made on the following nominees:

1. For California risks, service of process must be made on:  
Wilson, Elser, Moskowitz, Edelman & Dicker  
555 S. Flower Street  
Suite 2900  
Los Angeles, CA 90071

2. For Illinois risks, service of process must be made on:

Lloyd's Illinois, Inc.  
181 West Madison Street  
Suite 3870  
Chicago, IL 60602-4541

It is not necessary for the Director of Insurance to be specifically named or for their address to be specified.

3. For Kentucky risks, service of process must be made on:  
Lloyd's Kentucky, Inc.  
341 West Main Street  
Frankfort, KY 40601-18082

If the policy is in any of the following jurisdictions, service of process may also be made upon the below:

1. For Guam risks, service of process may also be made on either of the following:

Thomas Sterling, Esq.  
Blair, Sterling, Johnson, Martinez, P.C.  
Suite 1008 DNA Building

Agent Name: N/A  
Agent Address: N/A



Administered by Hiscox Inc.  
520 Madison Avenue 32nd Floor, New York, NY 10022  
(646) 452-2353

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**Endorsement 3**

APPLICANT NAME: Webb County, Texas

238 Archbishop F.C. Flores Street  
Hagatna, Guam 96910-5205  
Telephone: (671) 477-7857  
Facsimile: (671) 472-4290  
Email: tcsterling@kbsjlaw.com

2. For Oklahoma risks, service of process may also be made on:

Oklahoma Insurance Commissioner  
Oklahoma Insurance Department  
4157 S. Harvard, Suite 121  
Tulsa, OK 74135

3. For Puerto Rico risks, service of process may also be made on:

Commissioner of Insurance  
Office of the Commissioner of Insurance, Commonwealth of Puerto Rico  
GAM Tower, Urb. Tabonuco, Suite 400  
Guaynabo, Puerto Rico 00968-3020  
Telephone: (787) 304-8686  
Facsimile: (787) 273-6365

In the event service of process is made on the Commissioner of Insurance, the Commissioner must forward any papers he or she has received to **us** at the address specified above.

In any suit instituted against **us**, **we** agree to abide by the final decision of such Court, or in the event of an appeal, of any Appellate Court.

The above named are authorized to accept service of process on **our** behalf in any such suit and will enter a general appearance on **our** behalf in the event such suit is instituted.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, **we** designate the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, as **our** agent for service of process in any action, suit, or proceeding instituted by **you** or on **your** behalf, or any other beneficiary under this policy, and designate the above named as the person to whom such agent is authorized to mail process.



Administered by Hiscox Inc.  
520 Madison Avenue 32nd Floor, New York, NY 10022  
(646) 452-2353

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#### **Endorsement 4**

APPLICANT NAME: Webb County, Texas

#### **E2017.1 Policyholder Disclosure Notice of Terrorism Insurance Cover**

YOU ARE HEREBY NOTIFIED THAT FOLLOWING THE TERRORISM RISK INSURANCE ACT OF 2002, AS AMENDED, COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT REMIBURSES 85% THROUGH 2015; 84% BEGINNING JANUARY 1, 2016; 83% BEGINNING JANUARY 1, 2017; 82% BEGINNING JANUARY 1, 2018; 81% BEGINNING JANUARY 1, 2019 AND 80% BEGINNING JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS THE U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION IN ANY ONE CALENDAR YEAR. IF THE AGGREGATE OF SUCH LOSSES FOR ALL INSURERS EXCEEDS \$100 BILLION, COVERAGE MAY BE REDUCED.

Acts of Terrorism, as defined in Section 102(1) of the Act, as amended, is as follows: The term "Act of Terrorism" means any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an Act of Terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**Notwithstanding the TRIA program, this Policy insures against all terrorism perils in accordance with the terms, conditions and exclusions of this insurance. Your policy includes coverage for terrorism losses that are outside the TRIA definition of an "Act of Terrorism" as above. It also provides coverage for you according to your Policy terms, conditions, exclusions and limits, irrespective of any cap.**

The allocation of the premium for TRIA coverage is provided below and does not include any charges for the portion of loss covered by the United States government under the Act.

The allocation we have made in respect of US exposures to Acts of Terrorism, as defined under TRIA, is 80% of your current premium. This premium allocation applies to expiry of the risk or 12:00 midnight December 31, 2020, the date on which the TRIA program is scheduled to terminate, whichever is sooner.

**PLEASE RETAIN A COPY OF THIS DISCLOSURE NOTICE FOR YOUR RECORDS**



## IMPORTANT NOTICE

To obtain information or make a complaint:

1. You may utilize the following number to contact Hiscox Inc. for information or to make a complaint:

Claims assistance/complaints: 1-877-544-7269

General assistance/complaints: 1-855-528-1112

2. You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at the following number:

1-800-252-3439

3. You may write to Hiscox Inc. at the following address:

520 Madison Avenue  
32<sup>nd</sup> Floor  
New York, NY 10022

4. You may write the Texas Department of Insurance at the following address:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax #: 512-490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

### 5. PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Hiscox Inc. first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

### 6. ATTACH THIS NOTICE TO YOUR POLICY

This notice is for information only and does not become a part or condition of the attached document.

## AVISO IMPORTANTE

Para obtener informacion o para presentar una queja:

1. Usted puede llamar al numero de telefono gratuito de Hiscox S.a. para obtener informacion o para presentar una queja al:

Asistencia con las reclamaciones o quejas:  
1-877-544-7269

Asistencia general o quejas: 1-855-528-1112

2. Usted puede comunicarse con el Departamento de Seguros de Texas para obtener informacion sobre companias, coberturas, derechos o quejas al:

1-800-252-3439

3. Usted tambien puede escribir a Hiscox S.a.:

520 Madison Avenue  
32<sup>nd</sup> Floor  
New York, NY 10022

4. Usted puede escribir al Departamento de Seguros de Texas a:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax#: 512-490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

### 5. DISPUTAS POR PRIMAS DE SEGUROS O RECLAMACIONES:

Si tiene una disputa relacionada con a su prima de seguro o con una reclamacion usted debe comunicarse con Hixcox S.a. primero. Si la disputa, no es resuelta, puede comunicarse con el Departamento de Seguros de Texas.

### 6. ADJUNTE ESTE AVISO A SU POLIZA:

Este aviso es solamente para proposito informativos y no se convierte en parte o condicion del documento adjunto.



## CONFORMITY NOTICE

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(This does not amend, extend, or alter the coverages or any other provisions contained in your policy)

Whenever the symbol "\$" is used in this policy, it shall mean United States Dollars (USD).

Hiscox is committed to complying with trade and economic sanctions. To that end:

- I. No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Australia, United Kingdom or United States of America.
- II. The U.S. Department of Treasury Office of Foreign Assets Control (OFAC) administers and enforces economic sanctions policy based on Presidential declarations of national emergency. OFAC has identified and listed numerous foreign agents, front organizations, terrorists, and narcotics traffickers as Specially Designated Nationals (SDN's) and Blocked Persons. OFAC has also identified Sanctioned Countries. A list of Specially Designated Nationals, Blocked Persons and Sanctioned Countries may be found on the United States Treasury's web site <http://www.treas.gov/offices/enforcement/ofac/>.

Economic sanctions prohibit all United States citizens (including corporations and other entities) and permanent resident aliens from engaging in transactions with Specially Designated Nationals, Blocked Persons and Sanctioned Countries. Hiscox may not accept premium from or issue a policy to insure property of or make a claim payment to a Specially Designated National or Blocked Person. Hiscox may not engage in business transactions with a Sanctioned Country.

A Specially Designated National or Blocked Person is any person who is determined as such by the Secretary of Treasury.

A Sanctioned Country is any country that is the subject of trade or economic embargoes imposed by the laws or regulations of the United States.

In accordance with laws and regulations of the United States concerning economic and trade embargoes, this policy may be rendered void from its inception with respect to any term or condition of this policy that violates any laws or regulations of the United States concerning economic and trade embargoes including, but not limited to the following:

- (1) Any insured under this Policy, or any person or entity claiming the benefits of such insured, who is or becomes a Specially Designated National or Blocked Person or who is otherwise subject to US economic trade sanctions;
- (2) Any claim or suit that is brought in a Sanctioned Country or by a Sanctioned Country government, where any action in connection with such claim or suit is prohibited by US economic or trade sanctions;
- (3) Any claim or suit that is brought by any Specially Designated National or Blocked Person or any person or entity who is otherwise subject to US economic or trade sanctions;
- (4) Property that is located in a Sanctioned Country or that is owned by, rented to or in the care, custody or control of a Sanctioned Country government, where any activities related to such property are prohibited by US economic or trade sanctions; or
- (5) Property that is owned by, rented to or in the care, custody or control of a Specially Designated National or Blocked Person, or any person or entity who is otherwise subject to US economic or trade sanctions.



## ECONOMIC AND TRADE SANCTIONS POLICYHOLDER NOTICE

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Please read your Policy carefully and discuss with your broker/agent or insurance professional. You may also visit the US Treasury's website at <http://www.treas.gov/offices/enforcement/ofac/>.



## Policyholder Notice Complaints or Comments

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Any complaints or comments may be sent:

- By Mail to:

Legal Department  
Hiscox USA  
520 Madison Avenue, 32nd Floor  
New York, NY 10022; or

- By Email to:

[us\\_helpdesk\\_rfl@hiscox.com](mailto:us_helpdesk_rfl@hiscox.com)



## LAW ENFORCEMENT LIABILITY COVERAGE FORM

### OCCURRENCE FORM

**NOTICE: THIS IS A SURPLUS LINES POLICY, ISSUED BY A NON-ADMITTED INSURER, AND IS NOT PROTECTED BY THE DEPARTMENT OF INSURANCE OR GUARANTY ASSOCIATION.**

**NOTICE: THIS COVERAGE FORM PROVIDES OCCURRENCE COVERAGE. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine the **Insured's** rights, duties, and what is and is not covered.

Titles are used within this policy for convenience only and shall not control or affect the meaning or construction of any provision of this policy.

Other words and phrases that appear in bold have special meaning. Refer to **SECTION VI-DEFINITIONS**.

In consideration of the payment of the premium, in reliance upon the information in the written application for insurance and subject to all of the provisions of this policy, the **Company** and the **Insured** agree as follows:

#### **SECTION I – COVERAGES**

##### **1. Insuring Agreement**

The **Company** will pay on behalf of the **Insured(s)** those **Damages** resulting from a **Wrongful Act** to which this insurance applies. The **Wrongful Act** must occur during the **Policy Period** and within the **Policy Territory**.

##### **2. Defense, Self-Insured Retention and Supplementary Payments**

A. Once the Self-Insured Retention has been paid and subject to the terms of this policy, the **Company** shall have the right and duty to defend the **Insured(s)** against a **Claim** or **Suit** covered by this policy, except where otherwise excluded. The **Company** shall have no obligation to defend any **Claim** or **Suit** that is not covered by this policy and no obligation to defend after the applicable Limit of Liability has been exhausted.

- B.** Until the first **Named Insured** has paid **Damages** and/or **Claims Expenses** that equal the Self-Insured Retention, the first **Named Insured** has the right to appoint defense counsel, subject to the **Company's** written consent and approval, to defend a **Claim** or **Suit** against an **Insured**. Said defense counsel will be paid at the **Company's** agreed hourly rates.
- C.** When the first **Named Insured** has exercised the right to appoint defense counsel, the **Insured** or defense counsel will provide the **Company** with timely status reports and other relevant information and documents regarding the **Claim** or **Suit** as requested by the **Company**. The **Company** has the right, at its sole discretion, to appoint counsel to associate with defense counsel appointed by the first **Named Insured**.
- D.** Upon the first **Named Insured's** payment of **Damages** and/or **Claims Expenses** that equal the Self-Insured Retention, the **Company** has the right to appoint defense counsel of its choice to defend the **Insured** in the **Claim** or **Suit** in lieu of defense counsel appointed by the first **Named Insured**.
- E.** Other than as permitted under the Self-Insured Retention provisions of this policy, no **Insured**, except at their own cost and for their own account shall, without written consent of the **Company**, make any payment, admit any liability, settle any **Claim** or **Suit**, assume any obligation, or incur any expense.
- F.** The **Company** shall have the right, but not the duty, to appeal any judgment rendered against any **Insured**.
- G.** If the Self-Insured Retention has been paid and the **Company** is defending, the **Company** will pay in addition to the applicable Limit of Liability:
- (1) All **Claims Expenses** incurred by the **Company**, costs taxed against the **Insured** in connection with covered **Damages** and interest on that portion of any judgment for covered **Damages** which does not exceed the limit of the **Company's** liability. The **Company** will have no duty to pay interest after the **Company** has paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limit of Liability.
  - (2) Premium on appeal bonds required in any **Suit** defended by the **Company**, and premium on bonds to release attachments in any such **Suit** for an amount not in excess of the applicable Limit of Liability of this policy, but the **Company** shall have no obligation to apply for or furnish any such bonds;
  - (3) Reasonable expenses incurred by the **Insured** at the **Company's** request for assisting the **Company** in investigation or defense of any **Claim** or **Suit**, including the **Insured's** attendance at hearings or trials;
  - (4) Reasonable expenses incurred by an **Insured** for first aid to others at the time of a **Bodily Injury** to which this policy applies.

## SECTION II- WHO IS AN INSURED

1. Each of the following is an **Insured**:

- A. The **Named Insured** listed in the Declarations;
- B. The **Named Insured's** elected or appointed officials, but only for law enforcement activities for the **Named Insured** while acting within the course and scope of their duties for the **Named Insured**;
- C. Boards, commissions or other governmental units and authorized members and officials thereof created by, operated by, and under the **Named Insured** within an apportionment of the total operating budget stated in the application for this insurance, but only for law enforcement activities while acting in the course and scope of their duties for the **Named Insured**;
- D. The public entity or subdivision of which the law enforcement agency is a part, including its elected or appointed officials but only for law enforcement activities for the **Named Insured** within the course and scope of their duties for the **Named Insured**;
- E. The **Named Insured's Employee(s)**, but only while performing law enforcement activities for the **Named Insured** within the course and scope of their employment by the **Named Insured**;
- F. The **Named Insured's Employee(s)** while engaged in law enforcement activities in the course of moonlighting but only with the specific prior written authorization and approval of the **Named Insured**;
- G. The **Named Insured's** authorized volunteers or auxiliary workers but only while performing law enforcement activities for the **Named Insured** within the course and scope of their duties for the **Named Insured** and only if the **Named Insured** provides indemnification to such volunteers or auxiliary workers in the same manner as is provided to the **Named Insured's Employees**.

However, none of the **Named Insured's Employees**, volunteers or auxiliary workers is an **Insured** for:

- (1) **Bodily Injury or Personal Injury** to an **Employee** of the **Named Insured** or to a co-**Employee** or to any volunteer or auxiliary worker of the **Named Insured** while in the course of their duties for the **Named Insured**;
- (2) Any injury to or damage sustained by the spouse, child or other relative of that **Employee**, co-**Employee**, volunteer or auxiliary worker as a consequence of paragraph (1) above, including but not limited to loss of consortium; or
- (3) **Property Damage** to property owned or occupied by or rented or loaned to any **Employee**, co-**Employee**, volunteer or auxiliary worker of the **Named Insured**;

### SECTION III – LIMITS OF LIABILITY

- 1. The **Company's** total liability for all **Damages** as result of all **Claims** or **Suits** covered under this policy shall not exceed the amount stated in the Declarations as the Policy Aggregate Limit, regardless of the number of **Insureds**, the number of **Claims** or **Suits** brought or the number of persons or organizations making **Claims** or bringing **Suits**.

2. Subject to the above provision regarding the Policy Aggregate Limit, the **Company's** liability for all **Damages** as a result of a **Wrongful Act** covered under this policy shall not exceed the amount stated in the Declarations as the **Wrongful Act** Limit, regardless of the number of **Insureds**, the number of persons injured or the number of **Claims** made or **Suits** brought.
3. The Limit of Liability for this policy shall apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding **Policy Period** for purposes of determining the Limit of Liability.

#### SECTION IV – GENERAL CONDITIONS

##### 1. **Action Against the Company**

No action shall lie against the **Company** unless, as a condition precedent thereto, all of the terms of this policy shall have been fully complied with, nor until the amount of an **Insured's** obligation to pay shall have been finally determined either by a final judgment against the **Insured** or by written agreement of the first **Named Insured**, the claimant and the **Company**.

Any person or organization or the legal representative thereof who has secured such a judgment or written agreement shall be entitled to recover under this policy to the extent of the insurance afforded by this policy, but the **Company** shall not be liable for **Damages** or other amounts that are not payable under the terms of this policy or for **Damages** that are in excess of the applicable Limit of Liability. No person or organization shall have any right under this policy to join the **Company** as a party to any action against an **Insured** to determine the **Insured's** liability, nor shall the **Company** be impleaded by the **Insured** or the **Insured's** legal representative.

In the event of bankruptcy or insolvency of the **Insured**, the **Company** shall not be relieved of the obligation to pay such indemnity as would otherwise have been payable under the terms of this policy after exhaustion of the Self-Insured Retention.

##### 2. **Representations and Agreements**

The **Named Insured** declares and represents that the particulars and information in the application for coverage are accurate and complete and further agrees that said particulars and information are material to the risk assumed by the **Company**, that the **Company** issued the policy in reliance upon the truth, accuracy and completeness of such particulars and information, that the statements in the Declarations are true and correct, and that in the event of a misrepresentation that materially affects either the acceptance of the risk or the hazard assumed by the **Company**, this policy shall be void in its entirety and of no effect.

##### 3. **Assignment**

Assignment of an interest in or under this policy shall not bind the **Company** unless its consent is endorsed hereon; if however, an **Insured** shall die, such insurance as is afforded by this policy shall apply to the **Insured's** legal representatives, only while acting within the scope of their duties as such, but only for **Claims** or **Suits** that are otherwise covered by this policy.

##### 4. **Cancellation**

This policy may be cancelled by the first **Named Insured** by mailing to the **Company** written notice stating when, thereafter, the cancellation shall be effective. This policy may be cancelled by the **Company** by mailing written notice to the first **Named Insured** at the address shown in the Declarations, stating the effective date of cancellation. Said notice shall be mailed not less than ten (10) days before cancellation for non-payment of premium or sixty (60) days before cancellation for any other reason. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the first **Named Insured** or by the **Company** shall be equivalent to mailing.

If the policy shall be cancelled by the first **Named Insured**, the **Company** shall retain the customary short rate proportion of the premium hereon subject to the minimum earned premium as stated in the Declarations. Payment or tender of any unearned premium by the **Company** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practical. If the period of limitation relating to the giving of notice of cancellation is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended to be equal to the minimum period of limitation of such law.

## 5. **Changes**

Notice to any agent, or knowledge possessed by any agent or by any other person, shall not change any provision of this policy or stop the **Company** from asserting any right under the terms of this policy; nor shall the terms of this policy be altered, waived or changed, except by endorsement issued to form a part of this policy, and signed by a duly authorized representative of the **Company**.

## 6. **Consent to Settle**

The **Company** may settle any **Claim** or **Suit** both within or in excess of the Self-Insured Retention. If the **Company** decides to settle a **Claim** or **Suit** for an amount in excess of the remaining Self-Insured Retention, the first **Named Insured** will promptly pay the amount remaining on the Self-Insured Retention. However, the **Company** will request the consent of the first **Named Insured** when the **Company** recommends a settlement on behalf of any **Insured** that is equal to or less than the remaining Self-Insured Retention. If the first **Named Insured** refuses to consent to such a settlement, the **Company** shall nevertheless have the right to effect the settlement, and the first **Named Insured** shall immediately reimburse the **Company** for all amounts remaining in the Self-Insured Retention. Alternatively, if consent is refused, the **Company** may allow the first **Named Insured** to contest the **Claim** or continue any legal proceeding in connection with such **Claim** or **Suit**, in which event the **Company's** liability will not exceed the amount the **Company** recommended in settlement and the amount of **Claims Expenses** incurred from the date of such refusal.

## 7. **Notice and Cooperation**

- A. The **Named Insured** must see to it that the **Company** is promptly notified of:
- (1) A **Wrongful Act**;
  - (2) Any investigatory, administrative, disciplinary or criminal proceedings or notices of charges that may involve a **Wrongful Act** covered by this policy; and

(3) Circumstances that may reasonably be expected to result in a **Claim** or **Suit**.

Said notice must include particulars regarding the **Wrongful Act** or circumstances, the names and addresses of any injured parties and any witnesses, and the names of any involved **Insureds**.

**B.** If **Claim** is made or **Suit** is brought against any **Insured**, such **Insured** and the **Named Insured** shall immediately notify the **Company** and immediately send to the **Company** every document, demand, notice, summons, other process or legal papers received by the **Insured** or by the **Insured's** representatives.

**C.** The **Insured** shall cooperate with the **Company** in any investigation and in the defense of any **Claim** or **Suit**, and upon the **Company's** request, submit to examination by a representative of the **Company**, under oath if necessary, and attend hearings, depositions and trials, and shall assist in any settlement process and in the securing and giving of a written statement or statements to the **Company's** representatives and defense counsel.

## **8. Inspections, Audits and Surveys**

The **Company** shall be permitted, but not obligated, to inspect the **Named Insured's** property and operations at any time. Neither the **Company's** right to make such inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of the **Named Insured** or others, to determine or warrant that such property or operations are safe, healthful, or in compliance with any law, code, standard, rule or regulation.

The **Company** may examine and audit the **Named Insured's** books and records at any time during the policy period or any extension thereof and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

## **9. Minimum Earned Premium**

This policy is subject to a Minimum Earned Premium as shown on the Declarations and it shall be fully earned at the inception date of the policy.

## **10. Other Insurance**

The insurance afforded by this policy is excess over any self-insured program or any other collectible insurance and its deductible or self-insured retention provision. When this policy is excess over other self-insurance or insurance, the **Company** will have no duty to defend the **Insured** in any **Claim** or **Suit** where any other insurer has a duty defend the **Insured**.

When this insurance is excess over other self-insurance or insurance, the **Company** will pay only the **Company's** share of what is owed, if any, that exceeds the total amount of all such other self-insurance or other collectible insurance and the total amount of all deductibles and self-insured retention amounts under all such other collectible insurance.

When both this insurance and other self-insurance or insurance apply on the same excess basis, we will share as set forth below:

**A.** Contribution by Equal Shares. If all of the other self-insurance or insurance provides for contribution by equal shares, the **Company** shall not be liable for a greater proportion

than would be payable if each insurer contributes an equal share until the share of each insurer equals its applicable Limit of Liability or the full amount of the loss is paid.

- B. Contribution by Limits. If any such other self-insurance or insurance does not provide for contribution by equal shares, the **Company** shall not be liable for a greater proportion of loss than the applicable Limit of Liability under this policy bears to the total applicable Limit of Liability of all other self-insurance and insurance.

#### 11. Separation of Insureds

Except with respect to the Limit of Liability, and any rights or duties specifically assigned in this policy to the first **Named Insured**, this policy applies:

- A. As if each **Named Insured** were the only **Named Insured**; and
- B. Separately to each **Insured** against whom **Claim** is made or **Suit** is brought.

#### 12. Service of Suit – Action Against the Company

Pursuant to any statute of any state, territory or District of the United States which makes provision therefor, the **Company** hereby designates 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 the **Company's** 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 **Named Insured**, arising out of this policy.

#### 13. Sovereign Immunity Defense

The **Company** will use the defense of sovereign immunity, to which an **Insured** may be entitled only when both the **Company** and the first **Named Insured** are in agreement as to its use. If the first **Named Insured** does not agree with the **Company** to use the defense of sovereign immunity, the **Company** shall have no liability to any **Insured** because of the failure to raise such defense. This policy does not constitute a waiver of any sovereign immunity to which an **Insured** may be entitled.

#### 14. Subrogation

In the event of any payment under this policy, the **Company** shall be subrogated to all of the **Insured's** rights of recovery against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after the payment of judgment or settlement to prejudice such rights.

#### 15. Terms of Policy – Statute

Terms of this policy which are in conflict with the statutes of the state wherein this policy is issued are hereby amended to conform to such statutes.

### SECTION V - EXCLUSIONS

This policy does not apply to and the **Company** has no obligation to defend any **Claim** or **Suit**:

- 1. Arising out of:

- A. Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other types of nonpublic information; or
- B. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by the **Insured** or others arising out of that which is described in paragraph **A.** or **B.** above.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

2. Arising out of:

- A. The actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of:
  - (1) Asbestos, asbestos fibers, any other form of asbestos, or any products or materials containing asbestos, asbestos fibers or any other form of asbestos;
  - (2) Lead, or any products or materials containing lead;
  - (3) Silica, silica dust, or any products or materials containing silica or silica dust, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to any injury or damage; or
  - (4) **Fungi** or mold.
- B. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of:
  - (1) Asbestos, asbestos fibers, any other form of asbestos, or any products or materials containing asbestos, asbestos fibers or any other form of asbestos;
  - (2) Lead, or any products or materials containing lead;
  - (3) Silica, silica dust, or any products or materials containing silica or silica dust, by any **Insured** or by any other person or entity; or
  - (4) **Fungi** or mold.
- C. Any supervision, instructions, disclosures, recommendations, warning, or advice given or which should have been given in connection with **A.** and **B.** above.

3. Arising out of:

- A. The actual, alleged or threatened presence of, exposure to, discharge, dispersal, seepage, migration, release or escape of **Pollutants** at any time;
  - B. Any loss, cost, expense request, demand, legal proceeding, order or requirement relating to the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or in any way respond to or assess the effects of **Pollutants**; and
  - C. Any supervision, training, instructions, disclosures, recommendations, warnings, or advice given or which should have been given in connection with **A.** or **B.** above.
4. Arising out of the ownership, maintenance, operation, use, loading or unloading, or negligent entrustment of any **Automobile**, watercraft, aircraft or motorcycle.

This exclusion also applies to negligent supervision, training, and dispatch related to the ownership, maintenance, use or entrustment of any **Automobile**, watercraft, aircraft or motorcycle.

5. Arising out of:
- A. Breach of any written, oral, express, implied, actual or constructive contract or agreement; or
  - B. The assumption of liability in a contract or agreement, whether written, oral, express, implied, actual or constructive, except a mutual law enforcement assistance agreement or a mutual law enforcement assistance contract between political subdivisions. This does not apply to liability for otherwise covered **Damages** that the **Insured** would have in the absence of the contract or agreement.
6. Arising out of fraud, dishonesty, malicious acts or omissions, or criminal acts or omissions committed by or at the direction of any **Insured**, or the willful violation of any federal, state or local statute, ordinance, rule, or regulation committed by or with the knowledge or consent of the **Insured**. If a **Suit** filed against the **Insured** also seeks compensatory **Damages**, the **Company** will afford a defense to such action pursuant to the Self-Insured Retention and defense provisions of this policy, until such time as a finding or judgment that such conduct or violations occurred is entered. The **Company** shall have no obligation to pay any monetary amounts, fees, costs or expenses in connection with such a finding or judgment.
7. Arising out of **Property Damage** to:
- A. Property owned, used, occupied by, loaned, leased, or rented to any **Insured**; or
  - B. Property in the care, custody or control of the **Insured**, except property of persons in custody of the **Insured** by virtue of arrest or detention.
8. Arising out of the **Insured's** employment policies or practices, including but not limited to, **Claims** or **Suits** arising out of applications for employment, refusal to employ, termination of employment, coercion, demotion, dismissal, failure to promote, evaluation, reassignment, discipline, defamation, harassment (including sexual harassment), humiliation, emotional distress, discrimination, invasion of privacy, retaliation, violation of civil rights, or other employment related acts, policies or practices.

9. Any **Claim** or **Suit** by an **Insured** against another **Insured**.
10. Arising out of or related to any investigatory, administrative, disciplinary, or criminal proceedings or notice of charges against an **Insured**. However, at the **Company's** option and with its consent, such a proceeding or charge may be designated and treated as a **Claim** under this policy. **Claim Expenses** incurred by any **Insured** in connection with such proceedings shall not go towards payment of the Self-Insured Retention unless the **Company** consents in writing.
11. Seeking relief or redress in any form other than compensatory **Damages** for **Bodily Injury, Personal Injury** or **Property Damage**. If a **Suit** filed against the **Insured** also seeks compensatory **Damages**, the **Company** will afford a defense to such action pursuant to the Self-Insured Retention and defense provisions of this policy, but the **Company** shall not have any obligation to pay any fees, costs or expenses incurred as a result of any order, award or judgment in any form other than for compensatory **Damages**, including but not limited to orders, awards or judgments for declaratory or injunctive relief.
12. Arising out of a **Claim, Suit**, proceeding or other circumstance for which the **Named Insured** gave notice under any other policy of insurance.
13. Arising out of a **Wrongful Act** that began prior to the inception of this policy where the **Named Insured** knew or had reason to know of circumstances indicating that a **Wrongful Act** was or may have been taking place.
14. Seeking fines or punitive, exemplary, treble or multiplied damages. However, if a **Suit** filed against the **Insured** also seeks compensatory **Damages**, the **Company** will afford a defense to such action pursuant to the Self-Insured Retention and defense provisions of this policy, but the **Company** shall not have any obligation to pay for fines or punitive, exemplary, treble or multiplied damages awards or any costs or interest associated therewith.
15. Arising out of the performance of any act or service of law enforcement duty for anyone other than the **Named Insured**. This exclusion shall not apply to law enforcement activities in the course of moonlighting when previously authorized and approved in writing by the **Named Insured**.
16. Arising out of the rendering of or failure to render medical professional services, including but not limited to services provided by doctors, physicians, surgeons or dentists.
17. Arising out of any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act, 18 USC section §§1961-68 et seq., any amendments thereto, or any rules or regulations promulgated thereunder.
18. For **Bodily Injury, Personal Injury** or **Property Damage** however caused, arising directly or indirectly out of:
  - A. War, including undeclared or civil war; or
  - B. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any governmental sovereign or other authority using military personnel or other agents; or

- C. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
19. Any obligation for which any **Insured**, or its insurance carrier, may be held liable under any workers' compensation, employers' liability, unemployment compensation, disability benefits or similar law, including but not limited to Employee Retirement Income Security Act (ERISA), Consolidated Omnibus Budget Reconciliation Act of 1988 (COBRA), or any similar law.

## SECTION VI- DEFINITIONS

Whenever used in this policy, the following words have these meanings:

1. **Automobile** means any land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
2. **Bodily Injury** means physical injury including death, sickness, or disease, and includes mental distress, anguish or suffering arising from such physical injury.
3. **Claim** means a written demand for **Damages** or a notice advising an **Insured** of an intent to sue for **Damages** or a right to sue for **Damages**.
4. **Claims Expenses** means reasonable and necessary fees, costs and expenses charged by an attorney designated by the **Company**, or designated by the first **Named Insured** with the prior written consent of the **Company**, in defending a **Claim** or **Suit** against the **Insured**, and all other fees, costs, and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** or **Suit**. The defense and investigation must be initially authorized by the **Company** in order for fees, costs and expenses to exhaust the Self-Insured Retention. **Claims Expenses** shall not include wages or salaries of employees of the **Company** or the **Insured**.
5. **Damages** means compensatory **Damages** which the **Insured** is legally obligated to pay as a result of a settlement or judgment for a **Wrongful Act** covered by this policy.
6. **Employee** means any past or present **Employee** of the **Named Insured**. **Employee** includes a **Leased Worker** but only if the **Named Insured** provides indemnification to such **Leased Worker** in the same manner as it provided to the **Named Insured's Employees**.
7. **Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by **Fungi**.
8. **Insured** means a person or organization qualifying as an **Insured** under SECTION II – WHO IS AN INSURED.
9. **Leased Worker** means a person leased to the **Named Insured** by a labor leasing firm under an agreement between the **Named Insured** and the labor leasing firm, to perform authorized duties for the **Named Insured**.
10. **Named Insured** means the entity named in the Declarations.
11. **Personal Injury** means injury, other than **Bodily Injury**, arising out of one or more of the following:

- A. False arrest, detention or imprisonment, or malicious prosecution;
- B. False or improper service of process or abuse of process;
- C. The publication or utterance of libel or slander or other defamatory or disparaging material, or a publication or utterance in violation of a person's right of privacy;
- D. Violation of civil rights or discrimination protected under 42 USC Section 1981, et seq. or similar state law; or
- E. Wrongful entry, eviction or other invasion of the right of public occupancy.

**Personal injury** does not include injury that arises from advertising, broadcasting or telecasting activities conducted by or on behalf of any **Insured**.

- 12. **Policy Period** means the period of time from the inception date of policy stated in the Declarations to the expiration date of this policy stated in the Declarations or to any earlier cancellation date of this policy.
- 13. **Policy Territory** means coverage is worldwide provided that the **Claim** or **Suit** is brought within the United States of America.
- 14. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 15. **Property Damage** means:
  - A. Physical injury to or destruction of tangible property, including loss of use thereof resulting therefrom; or
  - B. Loss of use of tangible property which has been physically injured or destroyed.
- 16. **Suit** means:
  - A. A civil proceeding in which **Damages** are claimed because of a **Wrongful Act** to which this insurance applies; and
  - B. An arbitration proceeding or alternative dispute proceeding in which **Damages** are claimed because of a **Wrongful Act** and to which the **Insured** must submit or does submit with the **Company's** consent.
- 17. **Wrongful Act** means an actual or alleged error or omission, negligent act or breach of duty or a series of connected or interrelated errors or omissions, negligent acts or breaches of duties by one or more **Insureds** while conducting law enforcement activities for the **Named Insured**, which result in:
  - A. **Personal Injury**;
  - B. **Bodily Injury**; or
  - C. **Property damage**.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TRADE OR ECONOMIC SANCTIONS ENDORSEMENT**

This insurance coverage does not apply to the extent that trade or economic sanctions prohibit the insurer or any member of the insurer's group from providing insurance coverage, including, but not limited to, the payment of claims.

All other terms and conditions of the policy remain the same.



**PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY COVERAGE  
FORM**

**CLAIMS MADE AND REPORTED**

**NOTICE: THIS IS A SURPLUS LINES POLICY, ISSUED BY A NON-ADMITTED INSURER, AND IS NOT PROTECTED BY THE DEPARTMENT OF INSURANCE OR GUARANTY ASSOCIATION.**

**NOTICE: THIS POLICY IS A CLAIMS-MADE POLICY WHICH PROVIDES LIABILITY COVERAGE ONLY IF A CLAIM IS MADE AND REPORTED DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine the **Insured's** rights and duties, and what is and is not covered.

Titles are used within this policy for convenience only and shall not control or affect the meaning or construction of any provision of this policy.

Other words and phrases that appear in bold have special meaning. Refer to **SECTION VII-DEFINITIONS**.

In consideration of the payment of the premium, in reliance upon the statements in the written application for insurance and subject to all of the terms of this policy, the **Company** and the **Insured** agree as follows:

**SECTION I – COVERAGES**

**1. Insuring Agreement**

The **Company** will pay on behalf of the **Insured** those **Damages** resulting from a **Wrongful Act** to which this insurance applies. The **Claim** must be first made during the **Policy Period** and reported to the **Company** in compliance with **SECTION IV – GENERAL CONDITIONS**, Item 7. or any applicable reporting period under **SECTION V – EXTENDED REPORTING PERIOD**.

The **Wrongful Act** must take place in the **Policy Territory** and must occur:

- A. During the **Policy Period**; or
- B. Subsequent to the Retroactive Date, if any, stated in the Declarations of this policy, but only if:
  - (1) The **Insured** did not give notice relating to the **Wrongful Act** under any other policy of insurance; and
  - (2) Before the effective date of this policy, no **Insured** knew or had a basis to believe that the circumstances of such **Wrongful Act** might reasonably be expected to result in or give rise to a **Claim**.

For purposes of Paragraph 1.A. of this Insuring Agreement, if during the **Policy Period** or during the applicable reporting period under **SECTION V – EXTENDED REPORTING PERIOD**, the **Insured** gives written notice to the **Company**, in accordance with **SECTION IV – GENERAL CONDITIONS**, Item 7, of a **Wrongful Act** likely to result in a **Claim**, then any **Claim** that may subsequently be made against an **Insured** arising out of such **Wrongful Act** shall be deemed to have been made during the **Policy Period**.

## 2. **Defense, Self-Insured Retention, and Supplementary Payments**

- A. This policy is subject to a Self-Insured Retention applicable to each **Wrongful Act** which must be paid by the first **Named Insured**. The Self-Insured Retention includes the payment of **Claims Expenses** and/or **Damages** within the limit shown in the Declarations as the Self-Insured Retention.
- B. Once the Self-Insured Retention has been paid and subject to the terms of this policy, the **Company** shall have the right and duty to defend the **Insured(s)** against a **Claim** covered by this policy, except where otherwise excluded. The **Company** shall have no obligation to defend any **Claim** that is not covered by this policy and no obligation to defend after the applicable Limit of Liability has been exhausted.
- C. Before the Self-Insured Retention is exhausted, the first **Named Insured** has the right to appoint defense counsel, subject to the **Company's** written consent and approval, to defend a **Claim** against the **Insured(s)**. The **Company**, at its sole discretion, may withdraw approval of counsel and require the first **Named Insured** to appoint a different defense counsel subject to the **Company's** written consent and approval.
- D. The **Company** has the right, at its sole discretion, to appoint counsel to associate with defense counsel appointed by the first **Named Insured**.
- E. Once the Self-Insured Retention is exhausted, the **Company** has the right to appoint counsel of its choice to defend the **Insured(s)** in connection with the **Claim** in lieu of defense counsel appointed by the first **Named Insured**.
- F. Other than as permitted under the Self-Insured Retention provisions of this policy, no **Insured**, except at their own cost and for their own account shall, without prior written consent of the **Company**, make any payment, admit any liability, settle any **Claim**, assume any obligation, or incur any expense.

- G.** Once the Self-Insured Retention is exhausted, the **Company** shall have the right, but not the duty, to appeal any judgment rendered against the **Insured**. If a judgment is rendered against an **Insured** within the Self-Insured Retention, no appeal shall be taken therefrom without the prior written consent and approval of the **Company**.
- H.** Once the Self-Insured Retention is exhausted, and the **Company** is defending, the **Company** will pay in addition to the applicable Limit of Liability:
- (1) All **Claims Expenses** incurred by the **Company**, costs taxed against the **Insured** in connection with covered **Damages**, and interest on that portion of any judgment for covered **Damages** which does not exceed the limit of the **Company's** liability. The **Company** will have no duty to pay interest after the **Company** has paid, offered to pay or deposited in court that part of the judgment that is within the applicable Limit of Liability.
  - (2) Premium on appeal bonds required in any **Claim** defended by the **Company**, and premium on bonds to release attachments in any such **Claim**, for an amount not in excess of the applicable Limit of Liability of this policy, but the **Company** shall have no obligation to apply for or furnish any such bonds;
  - (3) Reasonable expenses incurred by the **Insured** at the **Company's** request for assisting the **Company** in the investigation or defense of any **Claim**, including the **Insured's** attendance at hearings or trials;

## SECTION II – WHO IS AN INSURED

1. Each of the following is an **Insured**:
  - A. The **Named Insured** as shown in the Declarations;
  - B. The **Named Insured's Employees**, but only for **Wrongful Acts** within the course and scope of their employment by the **Named Insured**;
  - C. The **Named Insured's** authorized volunteer workers, but only for **Wrongful Acts** while acting within the course and scope of their duties for the **Named Insured** and only if the **Named Insured** provides indemnification to such volunteer workers in the same manner as is provided to the **Named Insured's Employees**;
  - D. The **Named Insured's** elected or appointed officials but only for **Wrongful Acts** while acting within the course and scope of their duties for the **Named Insured**; and
  - E. Boards, commissions, or other governmental units, and authorized members and officials thereof, created by, operated by and under the **Named Insured** within an apportionment of the total operating budget stated in the application for this insurance, but only for **Wrongful Acts** while acting within the course and scope of their duties for the **Named Insured**. However, no person or organization is an **Insured** while serving on or acting as a board, commission or unit for any school or healthcare facility unless that school or healthcare facility is specifically endorsed onto this policy.

## SECTION III- LIMITS OF LIABILITY

1. The **Company's** total liability for all **Damages** as a result of all **Claims** covered under this policy shall not exceed the amount stated in the Declarations as the Policy Aggregate Limit, regardless of the number of **Insureds**, the number of **Claims** made or the number of persons or organizations making **Claims**.
2. Subject to the above provision regarding the Policy Aggregate Limit, the **Company's** liability for all **Damages** as a result of a **Wrongful Act** shall not exceed the amount stated in the Declarations as the **Wrongful Act** Limit, regardless of the number of **Insureds**, the number of **Claims** made or the number of persons or organizations making **Claims**.
3. Any applicable reporting period under **SECTION V – EXTENDED REPORTING PERIODS** shall be deemed to be part of this **Policy Period** for purposes of determining the Limit of Liability. The Limits of Liability do not apply separately to any reporting period under **SECTION V – EXTENDED REPORTING PERIODS**.
4. If additional **Claims** are subsequently made which arise out of a **Claim** already made and reported to the **Company** or a proceeding, circumstance or **Wrongful Act** already reported to the **Company**, then all such **Claims**, whenever made, shall be considered first made within the **Policy Period** or the applicable Extended Reporting Period in which the report to the **Company** was made, and all such **Claims** shall be subject to one Limit of Liability.

#### **SECTION IV – GENERAL CONDITIONS**

##### **1. Action Against the Company**

No action shall lie against the **Company** unless, as a condition precedent thereto, all of the terms of this policy shall have been fully complied with, nor until the amount of an **Insured's** obligation to pay shall have been finally determined either by a final judgment against the **Insured** or by written agreement of the first **Named Insured**, the claimant and the **Company**.

Any person or organization or the legal representative thereof who has secured such a judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy, but the **Company** shall not be liable for **Damages** or other amounts that are not payable under the terms of this policy or for **Damages** that are in excess of the applicable Limit of Liability. No person or organization shall have any right under this policy to join the **Company** as a party to any action against an **Insured** to determine the **Insured's** liability, nor shall the **Company** be impleaded by the **Insured** or his legal representative. In the event of bankruptcy or insolvency of the **Insured**, the **Company** shall not be relieved of the payment of such indemnity as would otherwise have been payable under the terms of this policy after exhaustion of the Self-Insured Retention.

##### **2. Representations and Agreements**

The **Named Insured** declares and represents that the particulars and information in the application for coverage are accurate and complete and further agrees that said particulars and information are material to the risk assumed by the **Company**, that the **Company** issued the policy in reliance upon the truth, accuracy and completeness of such particulars and information, that the statements in the Declarations are true and correct, and that in the event of a misrepresentation that materially affects either the acceptance of the risk or the hazard assumed by the **Company**, this policy shall be void in its entirety and of no effect.

### 3. Assignment

Assignment of interest under this policy shall not bind the **Company** until its consent is endorsed hereon; if however, an **Insured** shall die, such insurance as is afforded by this policy shall apply to the **Insured's** legal representatives, while acting within the scope of their duties as such, but only for **Claims** that are otherwise covered by this policy.

### 4. Cancellation

This policy may be cancelled by the first **Named Insured** at any time by surrendering this policy to the **Company** or any of its authorized agents, or by mailing to the **Company** written notice stating when, thereafter, the cancellation shall be effective. This policy may also be cancelled by the **Company** by mailing written notice to the first **Named Insured** at the address shown in the Declarations, stating the effective date of cancellation. Said notice from the **Company** shall be mailed not less than ten (10) days before cancellation for non-payment of premium, or sixty (60) days before cancellation for any other reason. The mailing of notice as aforesaid shall be sufficient proof of notice. The cancellation date stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the first **Named Insured** or by the **Company** shall be equivalent to mailing.

If the policy shall be cancelled by the first **Named Insured**, the **Company** shall retain the customary short rate proportion of the premium hereon subject to the minimum earned premium as stated in the Declarations. Payment or tender of any unearned premium by the **Company** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practical. If the period of limitation relating to the giving of notice of cancellation hereunder is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended to be equal to the minimum period of limitation of such law.

### 5. Changes

Notice to any agent, or knowledge possessed by any agent or by any other person, shall not affect or change any provision of this policy or stop the **Company** from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy, and signed by a duly authorized representative of the **Company**.

### 6. Consent to Settle

The **Company** may settle any **Claim** both within or in excess of the Self-Insured Retention. If the **Company** decides to settle a **Claim** for an amount in excess of the remaining Self-Insured Retention, the first **Named Insured** will promptly pay the amount remaining on the Self-Insured Retention. However, the **Company** will request the consent of the first **Named Insured** when the **Company** recommends a settlement on behalf of any **Insured** that is equal to or less than the remaining Self-Insured Retention. If the first **Named Insured** refuses to consent to such a settlement, the **Company** shall nevertheless have the right to effect the settlement and the first **Named Insured** shall immediately reimburse the **Company** for all amounts remaining in the Self-Insured Retention. Alternatively, if consent is refused, the **Company** may allow the first **Named Insured** to contest the **Claim** or continue any legal proceeding in connection with such **Claim**, in which event the **Company's** liability will not exceed the amount the **Company** recommended in settlement and the amount of **Claims Expenses** incurred from the date of such refusal.

## 7. Notice and Reporting

**A.** As a condition precedent to coverage under this policy, the **Named Insured** shall give written notice to the **Company** of any **Claim** made against any **Insured(s)** as soon as practicable, but in no event later than:

- (1) 60 days after the end of the **Policy Period** if the policy is renewed; or
- (2) During any applicable Extended Reporting Period, before the end of such Extended Reporting Period.

Such written notice must be delivered or mailed to the **Company** at the address listed in the Declarations of this policy. If delivered, the **Insured** must obtain acknowledgment of the delivery at the time of delivery. If mailed, the date of mailing shall constitute the date that such notice was given to the **Company** and proof of delivery shall be by certified mail, courier or facsimile. A **Claim** shall be considered to have been first made when written notice of such **Claim** is received by any **Insured** or by the **Company**, whichever comes first.

**B.** As a condition precedent to coverage under this policy, the **Named Insured** shall also give written notice of the following circumstances to the **Company**, with full particulars as to subject matter, dates and persons or entities involved:

- (1) Any investigative, agency, administrative, disciplinary or criminal proceedings or any notice of EEOC charges that allege a **Wrongful Act** or which may give rise to a **Claim**; or
- (2) Other situations and circumstances that do or may involve a **Wrongful Act** or which may reasonably be expected to give rise to a **Claim**.

Notice under these provisions shall likewise be given as soon as practicable but in no event later than:

- (1) 60 days after the end of the **Policy Period** if the policy is renewed; or
- (2) During any applicable Extended Reporting Period, before the end of the Extended Reporting Period.

Written notice shall be made as set forth in section **7.A.** above.

## 8. Cooperation

The **Insured(s)** shall cooperate with the **Company** in any investigation and in the defense of any **Claim**, and upon the **Company's** request, submit to examination by a representative of the **Company**, under oath if necessary, and attend hearings, depositions and trials, assist in any settlement process, and assist in the securing and giving of information and statements to the **Company's** representatives and defense counsel.

## 9. Minimum Earned Premium

This policy is subject to a Minimum Earned Premium as shown on the Declarations and it shall be fully earned at the inception date of the policy.

#### 10. **Other Insurance**

If other insurance is available to the **Insured** for a **Claim** covered by this policy, the insurance provided by this policy shall apply in excess over any other insurance and its deductible or self-insured retention provision, whether such other insurance is stated to be primary, excess, contingent or otherwise, unless such other insurance is expressly written as excess over this policy and specifically designates this policy as underlying insurance in its Declarations.

The insurance provided by this policy is excess over any self-insured program or over any other collectible insurance and its deductible or self-insured retention provision. When this policy is excess over other self-insurance or other self-insurance, the **Company** will have no duty to defend the **Insured** in any **Claim** or **Suit** where any other insurer has a duty defend the **Insured**.

When this insurance is excess, the **Company** will pay only the **Company's** share of what is owed, if any, that exceeds the total amount of all such other self-insured or other collectible insurance and the total amount of all deductibles and self-insured retention amounts under all such other collectible insurance.

When both this insurance and other self-insurance or insurance apply on the same excess basis, the **Company** will share as set forth below:

- A. Contribution by Equal Shares. If all of the other self-insurance or insurance provides for contribution by equal shares, the **Company** shall not be liable for a greater proportion than would be payable if each insurer contributes an equal share until the share of each insurer equals its applicable Limit of Liability or the full amount of the loss is paid.
- B. Contribution by Limits. If any such other self-insurance or insurance does not provide for contribution by equal shares, the **Company** shall not be liable for a greater proportion of loss than the applicable Limit of Liability under this policy bears to the total applicable Limit of Liability of all other self-insurance and insurance.

#### 11. **Separation of Insureds**

Except with respect to the Limit of Liability, and any rights or duties specifically assigned in this policy to the first **Named Insured**, this policy applies:

- A. As if each **Named Insured** were the only **Named Insured**; and
- B. Separately to each **Insured** against whom **Claim** is made.

#### 12. **Service of Suit – Action Against the Company**

Pursuant to any statute of any state, territory or District of the United States which makes provision therefor, the **Company** hereby designates 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 the **Company's** 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 **Named Insured**, arising out of this policy.

### 13. Sovereign Immunity

The **Company** will use the defense of sovereign immunity, to which an **Insured** may be entitled, only when both the **Company** and the first **Named Insured** are in agreement in its use. If the first **Named Insured** does not agree with the **Company** to use the defense of sovereign immunity, the **Company** shall have no liability to any **Insured** because of the failure to raise such defense. This policy does not constitute a waiver of sovereign immunity to which an **Insured** is entitled.

### 14. Subrogation

In the event of any payment under this policy, the **Company** shall be subrogated to all the **Insured**'s rights of recovery against any person or organization and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after the payment of judgment or settlement to prejudice such rights.

### 15. Terms of Policy - Statute

Terms of this policy which are in conflict with the statutes of the state wherein this policy is issued are hereby amended to conform to such statutes.

## SECTION V – EXTENDED REPORTING PERIODS

1. The **Company** will provide an Extended Reporting Period to the first **Named Insured**, only as described herein.
2. An Extended Reporting Period does not extend the **Policy Period** or change the scope of coverage provided under this policy.
3. An Extended Reporting Period does not reinstate or increase the Limit of Liability.
4. A Basic Extended Reporting Period of sixty (60) days from the effective date of expiration or cancellation or nonrenewal of this policy is automatically provided without an additional charge. The Basic Extended Reporting Period applies to **Claims** for **Damages** that are first made against an **Insured** during the **Policy Period** and reported to the **Company**, in accordance with **SECTION IV - GENERAL CONDITIONS – Item 8.**, no later than the end of the Basic Extended Reporting Period.

The Basic Extended Reporting Period does not apply to **Claims** covered under any other insurance purchased subsequent to, or, to replace this policy.

5. If this policy is canceled by the **Company** or not renewed by the **Company** for any reason other than nonpayment of premium or any other amount owed to the **Company**, an Optional Extended Reporting Period may be offered to the first **Named Insured**, subject to the payment of additional premium and shall take effect on the effective date of cancellation or nonrenewal of this policy. The Optional Extended Reporting Period will remain in effect for a period of one (1) to three (3) years, depending on which Optional Extended Reporting Period the **Insured** purchases. An offer by the **Company** to renew this policy based on terms, conditions, Limits of Liability and/or premiums that are different from those of the expiring policy shall not constitute non-renewal. The Optional Extended Reporting Period applies to a **Claim** for **Damages** reported to the **Company** no later than the end of the Optional Extended Reporting Period in accordance with

Section IV – GENERAL CONDITIONS **Item 8.A.**

The additional premium for the Optional Extended Reporting Period will depend on which option the first **Named Insured** chooses, as shown below, but will be no more than 150% of the annual premium for the last policy period.

Option 1	1 year	75% of the annual premium for this policy.
Option 2	2 years	125% of the annual premium for this policy.
Option 3	3 years	150% of the annual premium for this policy.

The **Company** must receive a written request from the first **Named Insured**, together with payment of additional premium due, within sixty (60) days after the effective date of cancellation or nonrenewal of this policy if the first **Named Insured** wishes to purchase one of the Optional Extended Reporting Periods. The first **Named Insured** must state in the request which Optional Extended Reporting Period it wishes to purchase. The Optional Extended Reporting Period will not go into effect unless the **Insured** pays and the **Company** acknowledges receipt of the additional premium when due. Once in effect, the Optional Extended Reporting Period may not be canceled and the premium for the Optional Extended Reporting Period is fully earned.

6. There is no coverage for **Claims** reported during any Extended Reporting Period if the **Claim** is covered under any other insurance, including insurance purchased subsequent to this **Policy Period** or to replace this policy.

**SECTION VI – EXCLUSIONS**

This policy does not apply to, and the **Company** has no obligation to defend any **Claim**:

1. Arising out of:
  - A. Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
  - B. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in paragraph **A.** or **B.** above.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

2. Arising out of:

- A. The actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of:
    - (1) Asbestos, asbestos fibers, any other form of asbestos, or any products or materials containing asbestos, asbestos fibers or any other form of asbestos;
    - (2) Lead, or any products or materials containing lead;
    - (3) Silica, silica dust, or any products or materials containing silica or silica dust; or
    - (4) **Fungi** or mold.
  
  - B. Any loss, cost or expense, request, demand, legal proceeding, order or requirement related to the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of:
    - (1) Asbestos, asbestos fibers, any other form of asbestos, or any products or materials containing asbestos, asbestos fibers or any other form of asbestos;
    - (2) Lead, or any products or materials containing lead;
    - (3) Silica, silica dust, or any products or materials containing silica or silica dust; or
    - (4) **Fungi** or mold.
  
  - C. Any supervision, training, instructions, disclosures, recommendations, warnings, or advice given or which should have been given in connection with **A.** or **B.** above.
3. Arising out of:
- A. The actual, alleged or threatened presence of, exposure to, discharge, dispersal, seepage, migration, release or escape of **Pollutants** at any time;
  - B. Any loss, cost, expense request, demand, legal proceeding, order or requirement relating to the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or in any way respond to or assess the effects of **Pollutants**; and
  - C. Any supervision training, instructions, disclosures, recommendations warnings, or advice given or which should have been given in connection with **A.** or **B.** above.
4. Arising out of:
- A. The actual alleged or threatened presence of, exposure to, release or escape of electromagnetic fields at any time;

- B.** Any loss, cost, expense, request, demand, legal proceeding, order or requirement relating to electromagnetic fields; and
  - C.** Any supervision, training, instructions, disclosures, recommendations, warnings, or advice given or which should have been given in connection with **A.** or **B.** above.
- 5.** Arising out of the ownership, maintenance, operation, use, loading or unloading, or negligent entrustment of any:
  - A.** **Automobile**, watercraft, aircraft, motorcycle, or other motorized means of transportation owned by, operated by, rented by, or loaned to any **Insured**; or
  - B.** Any other **Automobile**, watercraft, aircraft, motorcycle, or other motorized unit operated by any person in the course of their employment by the **Named Insured**.

This exclusion also applies to negligent supervision, training or dispatch related to ownership, maintenance, use or entrustment of any **Automobile**, watercraft, aircraft, motorcycle or other motorized means of transportation.

- 6.** Arising out of **Bodily Injury** or **Property Damage**.

- 7.** Arising out of:

- A.** A publication or utterance in the course of or relating to advertising, broadcasting or telecasting activities conducted by or on behalf of any **Insured**;
  - B.** Violation of public occupancy or violation of property rights;
  - C.** Wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling, or premises;
  - D.** Misappropriation of any trade secret, advertising ideas or style of business;
  - E.** Infringement of any patent, collective mark, registered mark, copyright, trademark, trade dress, domain, title or slogan, copyright or service name, or any other intellectual property right;
  - F.** Emotional distress or mental anguish; or
  - G.** Libel, slander, defamation, humiliation or invasion of privacy.

However, exclusions **7.F.** and **7.G.** do not apply when injury is caused by an otherwise covered **Wrongful Employment Practice**.

- 8.** Arising out of law enforcement activities, including but not limited to:
  - A.** False arrest, detention or imprisonment;
  - B.** Malicious prosecution;
  - C.** False or improper service of process; or

- D. Other abuse of process.
9. Arising out of:
- A. The issuance of bonds; or
  - B. Tax collection, or the improper administration of taxes or loss that reflects any tax obligation.
10. Arising out of acts or omissions in connection with the modification, adaption or construction of any building or property in order to make such building or property more accessible or accommodating to any disabled person.
11. Arising out of any labor or grievance proceeding or arbitration or out of a collective bargaining agreement or breach of any such agreement.
12. Arising out of eminent domain, condemnation, inverse condemnation, temporary or permanent taking, adverse possession, or dedication by adverse use.
13. Brought by any claimant's domestic partner, spouse, child, parent, sibling or other relative, other than as the legal representative of a claimant's Estate.
14. Arising out of:
- A. Breach of any written, oral, express, implied, actual or constructive contract, warranty, guarantee or promise (except as may be otherwise covered as a **Wrongful Employment Practice**); or
  - B. The assumption of liability in a contract, agreement or warranty, whether written, oral, express, implied, actual or constructive. This does not apply to liability for otherwise covered **Damages** that the **Insured** would have in the absence of the contract or agreement.
15. Arising out of fraud, dishonesty, intentional acts or omissions, or criminal acts or omissions committed by or at the direction of the **Insured**, or the willful violation of any federal, state or local statute, ordinance, rule, or regulation committed by or with the knowledge or consent of the **Insured**. However, if a **Claim** made against the **Insured** also seeks compensatory **Damages**, the **Company** will afford a defense to such action subject to the Self-Insured Retention and defense provisions of this policy, until such time as a finding or judgment is entered that such conduct or violations occurred. The **Company** shall have no obligation to pay any monetary awards, amounts, fees, costs or expenses in connection with such a finding or judgment.
16. Arising out of the operations or premises of any hospital, clinic, nursing home or other health care facilities unless specifically endorsed onto this policy.
17. Arising out of failure to procure, obtain or maintain any insurance or bond, or the failure to advise or counsel with respect to the procuring, obtaining or maintaining of any insurance coverages, bonds or any other plan or agreement of risk transfer or assumption.
18. Arising out of any obligation or duty imposed by:

- A. The Employee Retirement Income Security Act (ERISA);
- B. The Pension Benefit Act;
- C. The Consolidated Omnibus Budget Reconciliation Act of 1988 (COBRA);
- D. The Fair Labor Standards Act; or
- E. SECTION 89 of the Internal Revenue Code;

or any amendments thereto, or similar provisions of any federal, state or local, statutory or common law.

- 19. Brought by or on behalf of one **Insured** against another **Insured**, however, with respect to a **Claim** alleging a **Wrongful Employment Practice**, this exclusion shall only apply to crossclaims or counterclaims brought by one **Insured** against another **Insured**.
- 20. For any investigatory, administrative disciplinary or criminal proceedings or any notice of charges, including EEOC notices, against an **Insured**. However, at the **Company's** option and with its consent, such a proceeding or charge may be designated and treated as a **Claim** under this policy. **Claim Expenses** incurred by any **Insured** in connection with such proceedings shall not go towards payment of the Self-Insured Retention unless the **Company** consents in writing.
- 21. Seeking relief or redress in any form other than compensatory **Damages**. However, if a **Claim** against the **Insured** also seeks compensatory **Damages**, the **Company** will afford a defense to such action subject to the Self-Insured Retention and defense provisions of this policy, but the **Company** shall not have any obligation to pay any fees, costs or expenses incurred as a result of any order, award or judgment in any form other than for compensatory **Damages**, including but not limited to orders, awards or judgments for injunctive or declaratory relief.
- 22. Arising out of duties performed by any **Insured** for anyone other than the **Named Insured**.
- 23. Arising out of a **Claim**, proceeding or other circumstance for which the **Named Insured** gave notice under any policy of insurance in effect prior to the inception date of this policy, including any prior policy issued by the **Company** or any other insurer.
- 24. Arising out of the rendering of or failure to render medical professional services, including but not limited to services provided by doctors, physicians, surgeons or dentists.
- 25. Seeking fines or punitive, exemplary, treble or multiplied damages or other awards that are uninsurable under the law or public policy. However, if a **Claim** made against the **Insured** also seeks compensatory **Damages**, the **Company** will afford a defense to such action pursuant to the Self-Insured Retention and defense provisions of this policy, but the **Company** shall not have any obligation to pay for fines or punitive, exemplary, treble or multiplied damages awards or any costs or interest associated therewith.
- 26. Arising out of any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act, 18 USC section §§1961-68 et sequential, any amendments thereto, or any rules or regulations promulgated thereunder.

27. Arising out of self-dealing or gaining of any profit, remuneration or advantage to which an **Insured** is or was not legally entitled.
28. Arising out of any strike, riot or civil commotion, including but not limited to a lockout, picket line, replacement, or other similar action resulting from labor disputes or labor negotiations or any protections contained within the National Labor Relations Act.
29. Arising out of:
  - A. War, including undeclared or civil war; or
  - B. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any governmental sovereign or other authority using military personnel or other agents; or
  - C. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
30. Arising out of the Workers' Adjustment and Retraining Notification Act, Public Law 100-379 (1988) or any amendment thereto, or any similar federal, state or Law
31. Arising out of any claim for which an **Insured** or other insurer may be held liable under any workers compensation law, unemployment law, unemployment compensation law, disability benefits law, or attributable to any obligations pursuant to any worker's compensation, disability benefits, unemployment compensation, unemployment insurance, retirement benefits, social security benefits or similar law

## SECTION VII- DEFINITIONS

Whenever used in this policy, the following words have these meanings:

1. **Automobile** means:
  - A. Any land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
  - B. Any other land vehicle that is subject to a compulsory financial responsibility law.
2. **Bodily Injury** means physical injury, including death, sickness or disease and includes mental distress, anguish or suffering arising from such physical injury.
3. **Claim** means any of the following received by an **Insured** and alleging a **Wrongful Act** during the **Policy Period** or subsequent to the Retroactive Date, if applicable:
  - A. A written demand for **Damages** or a notice advising an **Insured** of an intent to sue for **Damages** or a right to sue for **Damages**;
  - B. Notice of an arbitration or alternative dispute proceeding seeking **Damages** to which the **Insured** must submit or does submit with the **Company's** consent; or
  - C. A civil proceeding alleging **Damages** commenced by the service of a summons, complaint or similar pleading

4. **Claims Expenses** means reasonable and necessary fees, costs and expenses charged by an attorney designated by the **Company**, or designated by the **Insured** with the prior written consent of the **Company**, in the investigation and defense of any **Claim** against the **Insured**, and all other fees, costs, and expenses resulting from the investigation, adjustment and defense of a **Claim**. **Claims Expenses** shall not include wages or salaries of employees of the **Company** or the **Insured**.
5. The **Company** means the insurer stated in the Declarations of this policy.
6. **Damages** means compensatory damages which the **Insured** is legally obligated to pay as a result of a judgment or settlement for a **Wrongful Act** covered by this policy.
7. **Employee** means a past or present employee of the **Named Insured**. **Employee** also includes a **Leased Worker**, but only if the **Named Insured** provides indemnification to such **Leased Worker** in the same manner as is provided to the **Named Insured's Employees**.
8. **Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by **Fungi**.
9. **Insured** means a person(s) or organization(s) identified in **SECTION II – WHO IS AN INSURED**.
10. **Leased Worker** means a person leased to the **Named Insured** by a labor leasing firm under an agreement between the **Named Insured** and the labor leasing firm, to perform authorized duties for the **Named Insured**.
11. **Named Insured** means the entity named in the Declarations.
12. **Policy Period** means the period of time from the inception date of policy stated in the Declarations to the expiration date of this policy stated in the Declarations or to any earlier cancellation date of this policy.
13. **Policy Territory** means coverage is worldwide provided that the **Claim** is brought within the United States of America.
14. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
15. **Property Damage** means:
  - A. Physical injury to or destruction of tangible property, including loss of use thereof at any time resulting there from; or
  - B. Loss of use of tangible property which has been physically injured or destroyed.
16. **Wrongful Act** means any of the following committed by an **Insured** in the performance of the **Insured's** official duties for or on behalf of the **Named Insured**:
  - A. Any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duty; or

**B. Any Wrongful Employment Practice.**

**Wrongful Act** includes a series of connected or interrelated acts, errors, omissions, misstatements, misleading statements, neglect, breaches of duty, or **Wrongful Employment Practices** committed by one or more **Insureds** in performance of the **Insured's** official duties, all of which shall be considered one **Wrongful Act**.

**17. Wrongful Employment Practice** means any of the following acts or practices:

- A.** Discrimination in hiring, promotion, advancement, opportunity, demotion, discipline or pay (including discrimination based on age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy or disability);
- B.** Harassment, coercion or creation of an intimidating, hostile or offensive work environment;
- C.** Wrongful demotion, discipline, dismissal, reassignment, discharge or termination (whether actual or constructive);
- D.** Wrongful failure to employ;
- E.** Employment-related libel, slander, defamation, humiliation or invasion of privacy;
- F.** Failure to provide or enforce adequate or consistent policies or procedures relating to employment practices;
- G.** Employment-related violation of an individual's civil rights;
- H.** Employment-related negligent infliction of emotional distress; and
- I.** Retaliatory treatment due to the actual or attempted exercise of an **Employee's** rights under the law or an **Employee's** disclosure or threatened disclosure of activities by the **Insured** that may violate law or the **Employee's** cooperation in any investigation or proceeding into whether the **Insured's** activities may violate law.

## PROPOSAL FORM FOR SCHOOL LEADERS E&O (COMPLETE AS APPLICABLE)

1. Proposed Insurer QBE Specialty Insurance Company
2. Please show premiums for the following (Occurrence Coverage):

Limits (Per-Occ and Agg)	SIR/Deductibles	
	\$10,000	\$25,000
\$1,000,000/\$1000,000	\$4,357.50	\$3,854.55
\$1,000,000/\$2,000,000	\$4,629.45	\$4,095.00
\$2,000,000/\$4,000,000		

- Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No
3. Is coverage written on an occurrence basis?  Yes  No
4. Does coverage pick up the tail for the past three (3) years if written on an occurrence basis?  Yes  No
5. If coverage is claims-made, does the policy cover prior acts without a retroactive date restriction?  Yes  No
- If not, what is the retroactive date? N/A
6. Does coverage provide twelve (12), twenty-four (24), and thirty-six (36)-month extended discovery provision?  Yes  No
- Can this clause be exercised by Webb County in the event the County chooses to cancel or not renew (i.e., bilateral trigger)?  Yes  No
7. Is defense coverage in addition to policy limits?  Yes  No
- State exceptions, if any. \_\_\_\_\_
8. Is defense included for IEP hearings, Desegregation, Breach of Contract, and Breach of Fiduciary Duty?  Yes  No
9. Has the policy been extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible/SIR?  Yes  No

10. Are punitive, exemplary and multiple damages covered?  
 Yes     No  
 If no, indicate additional premium to buy back this coverage. \_\_\_\_\_
11. Does the policy include coverage for insured vs. insured claims?  
 Yes     No
12. Does the policy include coverage for employment-related practices as outlined in question 13?  
 Yes     No
13. Is coverage included for the following:
- a. Negligence, errors, omissions, breach of duty, malfeasance, misfeasance, nonfeasance, or any act of any insured.     Yes     No
  - b. Civil rights violations.     Yes     No
  - c. Claims against attorney, architect, medical personnel, psychologist, counselor, accountant, etc., acting within the scope of professional duties.     Yes     No
  - d. Claims seeking other than monetary relief.     Yes     No
  - e. Faulty preparation of RFP specifications.     Yes     No
  - f. Claims from intentional acts.     Yes     No
  - g. Defense in the case of questionable or possibly excluded claims.     Yes     No
  - h. Non-imputation provision.     Yes     No
  - i. Claims arising out of desegregation/integration.     Yes     No
  - j. Failure to maintain insurance.     Yes     No
  - k. Breach of contract Except for Employment Contracts     Yes     No
14. Will defense coverage apply on a "first-dollar" basis?     Yes     No
15. If defense costs are not on a "first-dollar" basis, will cost incurred by Webb County apply toward meeting the deductible?     Yes     No
16. Is coverage on a "pay-on-behalf-of" basis?     Yes     No
17. Does the policy provide the following supplementary payments:
- a. Premiums on appeal bond     Yes     No
  - b. Interest on judgments (pre and post judgement)     Yes     No



- b. Webb County Officials? Yes Any elected officials  
Yes Any appointed officials  
Yes Any officer or director of the alternative education program
- c. Employees? Yes Any employee  
Yes Service on boards at Webb County's request  
Yes Attorney or accountant within the scope of the alternative program's duties  
Yes Architect or engineer within the scope of Webb County's duties  
Yes Medical Personnel and Psychologists
- d. Volunteers? Yes Any volunteers
- e. Others? No Heirs and legal representatives of insured  
Yes Student teachers
- f. What damages are covered for bodily injury?  
No Bodily injury, sickness, disease, death  
No Care disability, loss of service  
No Humiliation, mental anguish, or injury arising solely from use of reasonable force to protect persons and/or property  
Yes Due to rendering or failure to render any professional services



25. Is the notice of claim provision triggered if Webb County provides notice of circumstances which could give rise to a future claim?  Yes  No

If no, please explain. \_\_\_\_\_  
\_\_\_\_\_

26. What is the notice-of-cancellation, non-renewal or material change provision?

60 Days Notice for Non-Renewal and Material Change Provision / 10 Days for Non-Payment

27. What experience modifier, if any, was used in this quotation? N/A

28. Indicate if premium is flat or auditable and composite rate. Flat

29. Indicate method of premium payment (monthly, quarterly, annually, etc.)

Annual within 30 days of binding

30. Indicate the term of the coverage. Annual

If more than one year, are rates fixed?  Yes  No

31. Is your quote contingent on writing any other line(s)?  Yes  No

If so, what line(s)? GL, AL, APD, POL, LEL, XS Liability, Terror & Sabotage, Property  
Crime & Inland Marine

32. Are specimen policy forms and endorsements included?  Yes  No

Rpbert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/15/2020  
Date

**EXCEPTION FORM FOR SCHOOL LEADERS E&O**

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.***

All as per our answers to the coverage questionnaire.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

Customized Safety  
Programs

Loss Prevention  
Services

Loss Control  
Plans

Risk Management  
Services

Customized Training  
Programs



## USI Risk Management Center

*An Overview*

# Risk Management Center



SEARCH:   Welcome **Doug Person** [Help & Training Center](#)

## Information



The risk management platform provides a comprehensive library of sample loss control template documents, customizable safety and training programs, training shorts, and a flexible electronic filing structure. In addition, this web-based application contains software tools to implement a state-of-the-art proactive risk management program.

### Library Sections:

- Policies and Procedures
- Training Shorts
- Training Materials
- Quizzes
- Posters

### Software Solutions:

- Certificate of Insurance Tracking
- Incident Track/OSHA Log Software
- Job Hazard Analysis & Description Builder
- Training Track
- Material Safety Data Sheet Management

 **Quickstart**  
Quickly and easily find a variety of information

 **Calendar**  
Calendar of upcoming events and training sessions.

 **Resources**  
View the resources your group has made available to you.

# Web-based Portal

Web-based Portal

1,500 Documents  
and Growing

English and  
Spanish Language

Capabilities for  
On-Line Training

Search Feature

The screenshot displays the USI Risk Management Center web-based portal. The header features the USI logo and the text "RISK MANAGEMENT CENTER". Below the header is a navigation menu with tabs for "QuickStart", "Information", "Library", "My Content", "Applications", "Services", "Control Panel", and "Logout". A search bar is located on the left, and a welcome message "Welcome Doug Person of USI NE" is on the right. The main content area is titled "Library" and includes a sub-menu with "Policies and Procedures", "Training Materials", "Posters", "Safety Talks", "Quizzes", and "Links". The "Training Materials" section is active, showing a list of categories: "Training Materials", "PowerPoint Programs", and "Online Programs". A button "Add To My Content" is visible. The main list of training materials includes:

- PowerPoint training in English and Spanish.
- [Accident Investigation and Analysis - English](#)  Add
- A tutorial on steps to take following a workplace accident.
- [Accident Investigation and Analysis - Spanish](#)  Add
- A tutorial on steps to take following a workplace accident.
- [Aviation - Baggage Loading and Unloading - English](#)  Add
- Hazards and solutions of baggage handling when loading and unloading.
- [Aviation - Baggage Loading and Unloading - Spanish](#)  Add
- Hazards and solutions of baggage handling when loading and unloading.
- [Aviation - Small Commercial Air Operations - English](#)  Add
- Basic training module for small commercial air operations safety.
- [Aviation - Small Commercial Air Operations - Spanish](#)  Add
- [Aviation - Solutions for Baggage Handling - English](#)  Add
- Training module that outlines hazards and slutions of baggage handling at the ticket counter.
- [Bloodborne Pathogens - English](#)  Add

# Resources

USI Provided  
Content

Safety Programs

Posters

Training Material

Safety Talks

Calendar of FREE  
Webinars

Wellness & Health  
Management  
Content

The screenshot displays the USI Risk Management Center website. The header includes the USI logo and navigation tabs: QuickStart, Information, Library, My Content, Applications, Services, Control Panel, News, and Logout. A search bar and a welcome message for 'Doug Person' are visible. The main content area is titled 'Resources' and features a list of wellness programs with descriptions and 'Add' buttons. A left sidebar contains a 'Categories' menu with expandable options.

**USI RISK MANAGEMENT CENTER**

QuickStart | Information | Library | My Content | Applications | Services | Control Panel | News | Logout

SEARCH:  Welcome **Doug Person** [Help & Training Center](#)

**Resources**

**Categories**

- ▶ Safety Programs
- ▶ Safety Posters
- ▶ Training Materials
- ▶ Safety Talks
- ▶ Quizzes
- ▶ Human Resources
- ▶ Policies and Procedures
- ▶ Claims
- ▶ Links
- ▶ Checklists
- ▶ NRMC Safety Program
- ▼ Wellness & Health Management
  - ▶ **Carrier Resources**
    - ▶ Employer Fact Sheets
    - ▶ Links
    - ▶ Safety & Wellness

Items Checked: 0

**Resources List:**

- [Aetna's Road Map To Wellness](#)  
This is healthcare insurer Aetna's main page that describes their wellness offerings.  Add
- [Anthem BCBS](#)  
This is Anthem BCBS wellness resources home page.  Add
- [BCBS Massachusetts Wellness Program Flyer](#)  
This flyer provides an overview of BCBSMA wellness offerings for insureds.  Add
- [BCBS Rhode Island Good Health Benefit\(GHB\) Program](#)  
This flyer explains the GHB program that insureds can purchase as part of renewal to offer comprehensive programs at the workplace.  Add
- [Cigna's Wellness](#)  
This is healthcare insurer Cigna's wellness program overview page.  Add
- [Harvard Pilgrim Health Plan Wellness Program Flyer](#)  
This flyer gives a summary of HPHP offerings. For more details the employer needs to contact the HPHP account manager or broker.  Add
- [Tuft's Wellness Programs Home Page](#)  
This is healthcare insurer Tufts wellness homepage.  Add
- [United Healthcare Wellness Programs, Tools, and Communications Resources](#)

# Customize Documents

Save and  
Customize  
Documents You  
Select from the  
Library and  
Resources Areas

Can Save  
on the Portal  
and/or Local Drive

The screenshot displays the 'My Content' section of the USI Risk Management Center. At the top, there is a navigation bar with tabs for 'QuickStart', 'Information', 'Library', 'My Content', 'Applications', 'Services', 'Control Panel', and 'Logout'. Below this is a search bar and a welcome message for 'Doug Person of USI NE' with a 'Help' link. The main content area is titled 'My Content' and features a sub-navigation bar with tabs for 'Policies and Procedures', 'Training Materials', 'Posters', 'Safety Talks', 'Quizzes', 'Human Resources', and 'Risk Management Manual'. The 'Training Materials' tab is active. On the left, there is a 'Categories' sidebar with a tree view showing 'Training Materials' expanded to include 'Add Subcategory', 'Orientation Training', 'HUMAN RESOURCE', and 'Add Category'. Below the sidebar are three buttons: 'Add Document to Category', 'Edit Category', and 'Sign up for Training'. The main content area shows a list of training materials with columns for title, description, and an 'Edit' button. The list includes: 'Accident Investigation and Analysis - English', 'Bloodborne Pathogens - English' (two entries), 'Bloodborne Pathogens - Spanish', 'Driver Safety - (1)English', 'Driver Safety - 15-Passenger Vans - English', and 'Patient Handling - English'.

# Safety Manual

Organize  
Selected  
Documents  
to Develop  
Your Own  
Safety Manual

The screenshot shows the 'My Content' interface of the USI Risk Management Center. At the top, there is a navigation bar with links for QuickStart, Information, Library, My Content, Applications, Services, Control Panel, and Logout. A search bar is located below the navigation bar. The main content area is titled 'My Content' and features a 'Risk Management Manual' section with a green plus icon, a refresh icon, and a document icon. Below this, there is a list of content items, each with a green plus icon, a pencil icon, a red X icon, a refresh icon, and a document icon. The items are: Orientation, Hazard Communication (HAZCOM), Material Handling, Electrical Safety, Stairs and Ladders, Forklifts, Personal Protective Equipment (PPE), Machine Guarding, and Tools. The 'Orientation' item is expanded, showing a link to 'Orientation Checklist - English' and a description: 'A sample checklist for use with new employees to help explain and hold them accountable for proper safety practices.'

**USI RISK MANAGEMENT CENTER**

QuickStart Information Library My Content Applications Services Control Panel Logout

SEARCH:  Welcome **Doug Person** of USI NE [Help](#)

**My Content**

Policies and Procedures Training Materials Posters Safety Talks Quizzes Human Resources **Risk Management Manual**

Build, modify and print your organization's safety manual.   

Orientation    

[Orientation Checklist - English](#) 

A sample checklist for use with new employees to help explain and hold them accountable for proper safety practices.

Hazard Communication (HAZCOM)     

Material Handling     

Electrical Safety     

Stairs and Ladders     

Forklifts     

Personal Protective Equipment (PPE)     

Machine Guarding     

Tools     

# Incident Track

Generates Incident Reports, OSHA 300 Log and First Report of Injury

Track Claim Costs, Near Miss and all Incident Types

Provides Trending Graphs Based on Data Input

Also Tracks Liability, Property, Environmental and Fleet Incidents



# COI Track

Provides a Desktop for Tracking and Management of Incoming and Outgoing Certificates of Insurance from All Sources

Upload the Actual Certificate with Optical Character Recognition (OCR)

Tracks and Reviews Expiration, Coverage, Limits and Policy Detail



# Training Track

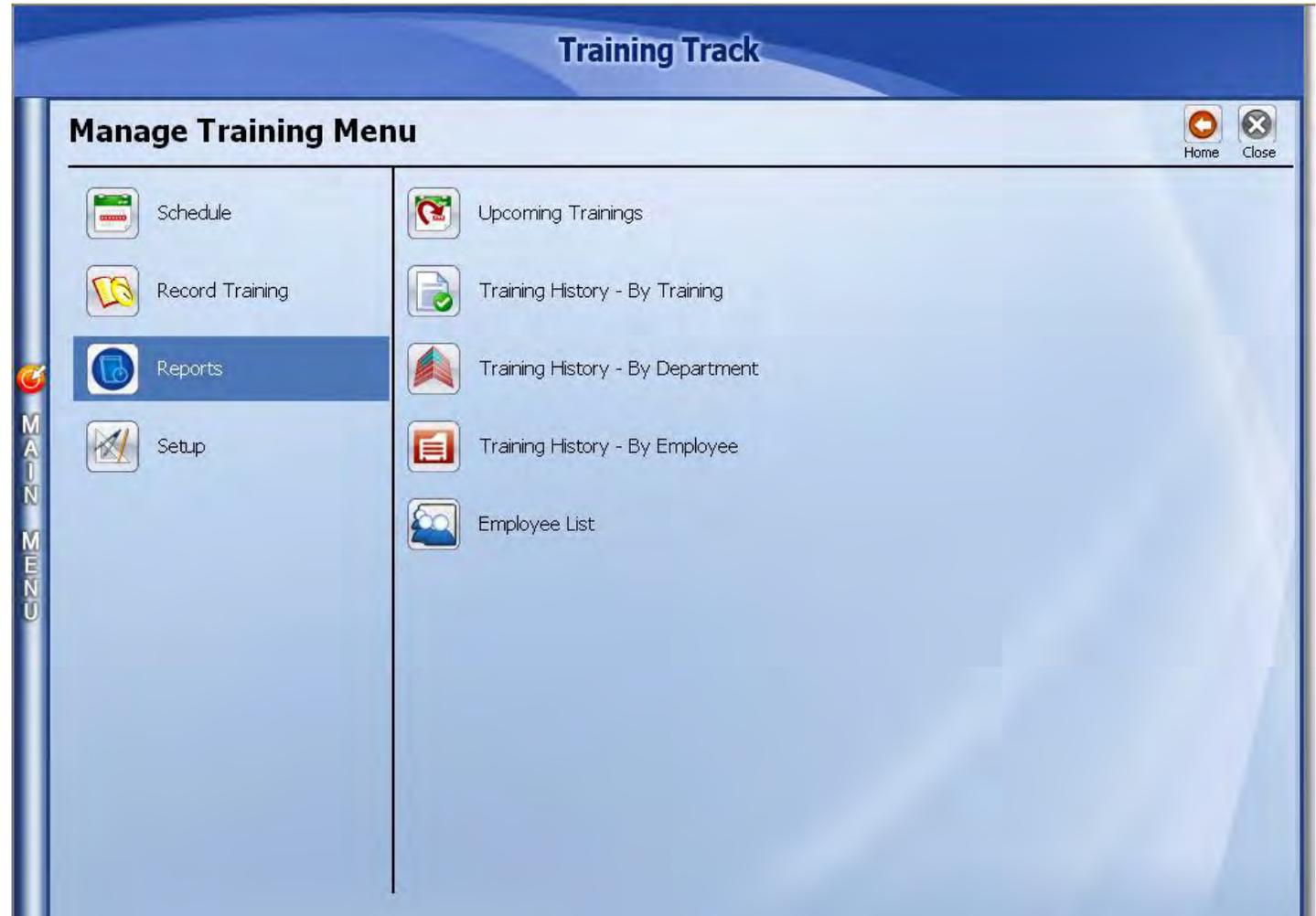
Schedule and document training sessions

Dovetails With Available On-Line Training Topics

Receive reminders of trainings coming due

Run real-time reports

Track training programs, employees, departments and Supervisors



# HR Essentials

Home | Help | About

**Bloomberg  
BNA**  
**HR Essentials™**

Sign up for State Compliance Alert  
Sign up for E-Mail Updates

SEARCH Search Tips

Fast Answers Detailed Discussion Federal & State Law Summaries Local Wage & Tax Model Documents News & Trends

## HR Essentials

**HR Essentials** provides valuable HR answers that can easily be accessed by topic or document type. For example, click on the "Fast Answers" link above to see frequently asked questions arranged by topic. Or select a topic link under a category below to find information on that topic from each document type.

### Benefits & Compensation

- Benefit Plans
- Cafeteria Plans
- Compensation
- Paid Leave
- Payroll Administration
- Retirement
- Wage & Hour

### Compliance (By Law)

- COBRA
- ERISA
- FLSA
- FMLA
- HIPAA
- OSHA

### Equal Employment Opportunity

- Disabled Workers
- Discrimination
- Harassment

### Performance & Productivity

- Communications
- Job Evaluations
- Morale
- Promotions
- Retention
- Training

### Recruiting, Selection & Staffing

## HR Tools

**HR Tools** provides quick access to HR productivity tools. For example, click on "HR Policy Handbook" to browse or search a collection of HR policies.

- Notices and Posters**  
A collection of printable images of federal and state workplace posters and notices.
- HR Policy Handbook**  
A guide for writing and maintaining HR policies and procedures.
- BNA Surveys & Reports**  
Exclusive surveys of HR professionals throughout the United States.

- Performance Review**  
A productivity tool that facilitates preparation of employee reviews.

## News

- EEOC Issues Final Rule Under ADEA On Defense to Disparate Impact Claims**
- Emotional Intelligence Impacts Employer Success, Speaker Says**
- \$4.5M Pledged to Vets Program**

Downloadable and Printable Model Documents, Sample Policies, Notices, Forms, Job Applications, and more

Guidance for Implementing and Updating HR Policies and Procedures

Printable Federal and State Workplace Notices and Posters. Federal and State Law Summaries in 52 Jurisdictions. State Compliance Alert via Weekly e-mail.

Fast Answers™ — thousands of succinct, plain-English, expert explanations on compliance and policy topics

Expert Analysis from Bloomberg BNA's Lawyer/Editors

News and Trends with Weekly Updates

Current on local wage and tax rates



# Job Track

Raise Hazard Awareness Among Existing Employees

Build your Job Hazard Analyses quickly

Pre-loaded Library

Fully Customizable

Produces a PowerPoint from Input Data for On-Going Training

Build Job Descriptions and Return to Work Descriptions Quickly

The screenshot displays the 'Job Track' software interface. At the top, the title 'Job Track' is centered. Below it, a navigation bar includes 'Jobs | Manage Jobs' and a toolbar with icons for 'Position Descriptions', 'Print', 'Save As', 'Sections', and 'Undo'. The main content area shows the 'Current Job: Panel Board XYZ' and a list of tasks with their associated hazards, consequences, and risk reduction measures. Each task entry includes an 'Options' button.

Task	Hazards	Consequences	Risk Reduction
Identification of Task & Related Hazards: Voltage Testing	Identification of hazards: Meter Malfunctions	Consequences: Explosion of meter.	Risk Reduction: Ensure meter is CAT Rated to the appropriate hazard level.
Identification of Task & Related Hazards: Voltage Testing	Identification of hazards: Meter Misapplication	Consequences: Explosion of meter.	Risk Reduction: Ensure meter is rated for the level of voltage being tested.
Identification of Task & Related Hazards: Remove and install Circuit Breakers	Identification of hazards: Contact with energized parts.	Consequences: Shock or electrocution.	Risk Reduction: Wear voltage rated gloves.
Identification of Task & Related Hazards: Voltage Testing			

# MSDS Menu

Desktop Access and Management of Material Data Sheets (MSDS)

Maintain Chemical Inventory

Sort By Location

Search Feature

Find the Latest MSDS On-Line

The screenshot shows the USI Risk Management Center's MSDS Management interface. The top navigation bar includes links for QuickStart, Information, Library, My Content, Applications, Services, Control Panel, and Logout. A search bar is located on the left, and a welcome message for Doug Person is on the right. The main content area is titled 'Applications | MSDS Management' and features a list of MSDS entries. The left sidebar contains a 'MSDS Menu' with a location dropdown set to 'All Locations' and buttons for Add New, Search, Resources, Report, Backup, Services, Training, and Video. The main area displays two MSDS entries: Ammonium Sulfate and Cadmium Chloride, each with a description, quantity, location, manufacturer, and an Edit button.

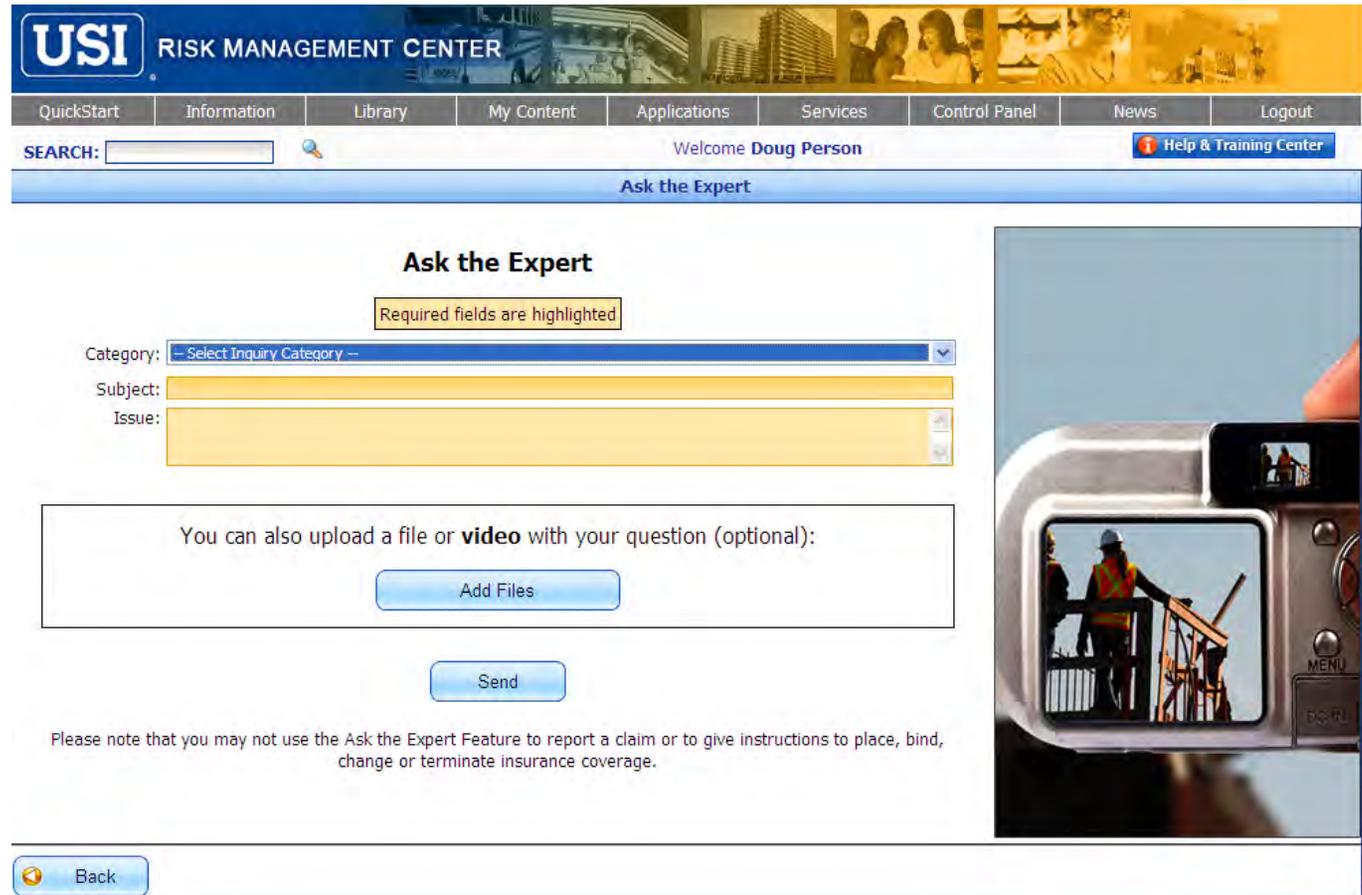
All	#	abc	def	ghi	jkl	mno	pqr	stu	vwx	yz
MSDS: <a href="#">Ammonium Sulfate</a>										
Description: Small, white hygroscopic granules or crystals.										
Quantity: .25 lbs										
Location: BalanceRoom										
Manufacturer: Faregar Industries										
<a href="#">Edit</a>										
MSDS: <a href="#">Cadmium Chloride</a>										
Description: White, solid, crystalline compound.										
Quantity: 4 lbs										
Location: Shop										
Manufacturer: FAREGAR Industries										
<a href="#">Edit</a>										

# Ask The Expert

Provides Direct  
(e-mail) Access to  
a Certified Safety  
Professional

Include A Picture or  
Video for More  
Detailed Assistance

Responses Will  
Include cc: to  
Producer



The screenshot shows the 'Ask the Expert' web form on the USI Risk Management Center website. The page header includes the USI logo and navigation links: QuickStart, Information, Library, My Content, Applications, Services, Control Panel, News, and Logout. A search bar and a 'Welcome Doug Person' message are also visible. The main form area is titled 'Ask the Expert' and contains a 'Required fields are highlighted' warning. The form fields are: Category (a dropdown menu with '- Select Inquiry Category -'), Subject (a highlighted text input field), and Issue (a highlighted text input field). Below these fields is a box for uploading files or videos, with an 'Add Files' button. A 'Send' button is located below the upload box. A disclaimer at the bottom of the form states: 'Please note that you may not use the Ask the Expert Feature to report a claim or to give instructions to place, bind, change or terminate insurance coverage.' A 'Back' button is located at the bottom left of the page. On the right side of the page, there is a vertical image of a digital camera showing a construction worker on a site.

# Training and Overview

Detailed Platform Training Is Available via Live or Taped Webinar

Training Is Available at Least Once Each Week

Sessions Last 30-45 Minutes On Average

Sign-up at the Click of a Button

**USI RISK MANAGEMENT CENTER**

QuickStart Information Library My Content Applications Services Control Panel News Logout

SEARCH:  Welcome **Doug Person** [Help & Training Center](#)

**Help & Training Center**

**Training & Overview** [Contact Us](#)

**Step 1. Please select** **Step 2. Please select** **Step 3. Select a time to attend a webinar.**

General Platform  
Certificate of Insurance Track  
Incident Track  
Job Hazard Analyses  
Job Descriptions  
Training Center  
MSDS Track

Product Overview  
Live Training Webinar  
Training Video

**Using COI Track**  
Learn how to manage and track your certificates of insurance using this tool. Cost: Free Duration: 60 minutes

Day	Date	Time (AST)	Time (PST)	Time (MST)	Time (CST)	Time (EST)	Registration
Wednesday	08/08/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>
Wednesday	08/15/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>
Wednesday	08/22/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>
Wednesday	08/29/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>
Wednesday	09/05/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>
Wednesday	09/12/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>
Wednesday	09/19/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>
Wednesday	09/26/2012	09:00 AM	10:00 AM	11:00 AM	12:00 PM	01:00 PM	<a href="#">Register Now</a>

# Safety Talks

Weekly  
Safety Talks

User Can  
add Additional  
Contacts to the  
Distribution List

Opt-Out at Any Time

## Be a Safety Coach

### Be a Safety Coach: Quick tips

As a manager or supervisor, one of your most important roles is retaining talented employees. There's currently a war for talent. Experts agree: one of the best ways to win the talent war is to recognize and coach employees in all aspects of their jobs. However, this is one of the greatest weaknesses in many organizations. Many managers view feedback, especially about safety performance, as unnecessary, time-intensive or negative, and so they avoid it. They assume that employees are doing what they can and don't encourage improvement. Here are some quick tips for engaging the work group, raising safety performance, productivity and morale, as well as becoming a better coach.

- **Provide regular feedback.** You shouldn't wait for a formal review time to talk to employees about safety performance or their productivity. Most employees say they don't get enough performance-related feedback. Schedule a regular time to meet with each employee. Typically, between once a week and once a month.
- **Address unsafe behaviors and poor work performance when you see it.** One of the reasons employees perform poorly is the lack of feedback. Failure to address unsafe or unproductive behaviors perpetuates performance problems and forces other employees to accept or compensate for poor performing team members. This can drain your team and increase potential problems. That's why it's vital to tell employees who are working unsafely or not meeting other job expectations that they're not. Remember to tell them the specific consequences that will arise if they don't improve their performance.
- **Differentiate among employees.** Realize that not all employees have the same behaviors or level of performance. Provide specific guidance and coaching based on the individual's performance. Recognize in a work group that anyone not working safely can create risk for others!
- **Recognize safety performers.** Give positive feedback for safe work performance. Recognizing these talented employees may encourage others, and it will make safe employees feel appreciated for their effort. There are many documented studies that indicate that much can be gained by positive recognition, especially when it comes to safety performance.

You can use feedback and recognition to elevate your workforce to new levels of safety performance and productivity and at the same time, help retain your best. Implementing these tips will help set your organization apart by coaching employees to safer performance and higher levels of productivity.

# Feature Request and Flexibility

Flexible Platform

Feature Request  
Allows Users to  
Inquire Regarding  
Additions or  
Suggested  
Changes to  
the Platform

The screenshot displays the USI Risk Management Center Control Panel. At the top, there is a navigation menu with links for QuickStart, Information, Library, My Content, Applications, Services, Control Panel, and Logout. A search bar is located on the left, and a welcome message for Doug Person is on the right. The main content area features a heading: "Have a feature request you'd like to make? Suggest it here!". Below this is a "Leave Feedback" form with a "Required fields are highlighted" message. The form includes a "Product:" dropdown menu with "-- Select Product --" and a "Request:" text area. A "Leave Feedback" button is positioned at the bottom of the form. A "Back" button is located at the bottom left of the page.

# Vendor Access

Access to Vendors  
for Specialty Service

The screenshot displays the USI Risk Management Center website interface. At the top, the USI logo is followed by the text 'RISK MANAGEMENT CENTER'. Below this is a navigation menu with tabs for 'QuickStart', 'Information', 'Library', 'My Content', 'Applications', 'Services', 'Control Panel', and 'Logout'. A search bar is located below the navigation menu, and a welcome message reads 'Welcome Doug Person of USI NE' with a 'Help' link. The main content area is titled 'Services' and features a banner that says 'Take advantage of these national discount services.' with an image of three people working. Below the banner are six service tiles, each with an icon and a brief description:

- Ask the Expert**: Have a risk management issue you need help with? Ask it here!
- Drug Testing**: Want to achieve a drug-free workplace program? We can help.
- Background/MVR**: All employment background checks are **not** the same.
- Incentives**: Safety incentive programs can reduce injuries. Let us help.
- Risk Services**: Concerned about compliance and workers' compensation costs? We can help.
- Training Videos**: A complete library of high quality safety video training.

## Training Cost Summary

### Training Course Title

Abusive Conduct Prevention  
Active Shooter Preparedness  
Aerial Lifts and Elevated Platform Safety  
Anti-Harassment Training  
Automotive - AC 609: Working with MVAC Systems  
Automotive - Green Sustainability Practices for Auto Shop Managers  
Automotive - Hazardous Waste Management  
Automotive - Hazardous Waste Management for California Waste Handlers  
Automotive - Hydrogen Safety Awareness  
Battery Charging and Jump Starting  
Bloodborne Pathogens  
Chair Safety - Online  
Commercial Driving Safety - Photographing Accidents  
Commercial Livery Driving - Driver Safety  
Commercial Livery Driving - Passenger Safety  
Commercial Livery Driving - Workplace Violence  
Communicating with Customers  
Compressed Gas Safety for Employees  
Conducting Effective Interviews  
Conducting Effective Interviews Self-Evaluation Tool  
Confined Space Entry Awareness  
Crane Rigging - Basic Safety  
Data Privacy and Information Security  
Discipline on the Job  
Distracted Driving for CMV Drivers  
DOT Hazardous Materials  
Driver Fatigue  
Driver Safety - Defensive Driving  
Driver Safety - Distracted Driving  
Driver Safety - Driver Preparedness  
Driver Safety for 15-Passenger Vans  
Driving Safety Online Management Overview  
Drug-Free Workplace: Reasonable Suspicion Testing  
Drug-Free Workplace: Drug-Free Workplace Programs  
Electrical Safety Awareness  
Emergency Action Plan  
Employee Evaluations  
Ergonomics Awareness - Online  
Ethics in the Workplace  
Exempt vs Nonexempt Classification  
Eye and Face Protection for Management  
Fall Protection  
Fire Extinguisher Safety

Fire Prevention  
Forklift Operator Training  
General Safety Overview for Health Care Providers  
GMP Allergen Controls  
GMP Facility Design for Compliance  
GMP Keeping it Clean  
GMP Process Controls  
Hand and Power Tool Safety  
Hazard Communication Awareness for Employees  
Hazard Communication Awareness for Managers  
Health and Wellness  
Hearing Protection  
Heat Stress Prevention  
HIPAA Awareness  
Horseplay Prevention  
Hot Work - Online  
Hours of Service  
Incident Investigation and Analysis  
Investigating Harassment Claims for Managers  
Lead Awareness  
Loading Dock and Wheel Chock Safety  
Lockout and Tagout  
Machine Safeguarding  
Modified Transitional Duty for Management  
Office Ergonomics Self-Assessment  
Office Workstation Ergonomics  
Patient and Resident Handling  
Personal Protective Equipment Awareness Training for Employees  
Personal Protective Equipment for Management  
Portable Ladder Safety  
Reasonable Suspicion for Alcohol and Drug Testing  
Respiratory Protection  
Responsible Alcohol Service  
Rollover Prevention for Cargo Tank Drivers  
Safe Lifting  
Safety Committee Formation  
Sexual Harassment and Abusive Conduct (California Compliant for Supervisors)  
Sexual Harassment Online Management Overview  
Silica Exposure Prevention  
Slip, Trip, and Fall Prevention for Employees  
Social Media and Email  
Space Management for CMV Drivers  
Speed and Stopping Distance for CMV Drivers  
Stormwater Best Management Practices  
Tire Repair Safety  
Travel Safety  
Trench Safety - Site Controls

Trench Safety - Soils, Inspections, and Cave-ins  
Understanding HACCP  
Understanding HIPAA - Breach and Noncompliance  
Understanding HIPAA - The Privacy Rule  
Understanding HIPAA - The Security Rule  
Welding and Hot Work  
What is an Ex-Mod?  
Workplace Violence - Healthcare and Social Services  
Workplace Violence Coworker Confrontations  
Workplace Violence Late Night Retail





Free  
Free  
Free  
Free  
Free  
Free  
Free  
Free  
Free  
Free

Action	Vehicle ID	Vehicle Type	Year	Make	Model
		TRUCK	2004	Ford	F250
		MISC	1990	M923A2	Cargo Truck
		PPT	2009	Dodge	Grand Caravan
		PPT	2009	Ford	Fusion
		TRUCK	2012	Ford	Van
		PPT	2002	Dodge	Stratus
		TRUCK	1997	Dodge	Truck
		TRUCK	2017	Dodge	Ram 1500
		MISC	2015	Dodge	Ram 1500
		TRUCK	2015	Dodge	Ram 1500
		TRUCK	2014	Dodge	Ram 1500
		PPT	2007	Dodge	Grand Caravan
		MISC	2006	Dodge	Ram 2500
		TRUCK	2004	Dodge	Ram
		TRUCK	2006	Dodge	Ram
		PPT	2007	Dodge	Durango
		PPT	2002	Ford	Sedan
		TRUCK	1996	Ford	Van
		PPT	1994	Ford	Aerostar
		PPT	1994	Ford	Aerostar
		TRUCK	1996	Ford	Club Wagon
		TRUCK	2002	Ford	E350 Econoline
		MISC	2011	Ford	E350 Econoline
		TRUCK	2002	Ford	Club Wagon
		MISC	2006	Ford	E350 Econoline
		TRUCK	2002	Ford	Club Wagon
		TRUCK	2002	Ford	E350 Econoline
		MISC	2008	Ford	E350 Econoline
		MISC	2006	Ford	E350 Econoline
		TRUCK	2006	Ford	E350 Econoline
		MISC	2008	Ford	E350 Econoline
		MISC	2004	Ford	E350 Econoline
		TRUCK	2007	Ford	Club Wagon
		TRUCK	1999	Ford	E350 Econoline
		PPT	2000	Ford	Aerostar
		TRUCK	2002	Ford	E350 Econoline
		MISC	2004	Ford	E350 Econoline
		TRUCK	1999	Ford	Van
		TRUCK	2005	Ford	E350 Econoline

MISC	2012	Ford	F550
MISC	2012	Ford	F550
MISC	2016	Ford	F550
MISC	1997	Ford	Ambulance
TRUCK	2011	Ford	F350
MISC	2016	Ford	F350
MISC	2016	Ford	F350 Ambulance
MISC	2010	Ford	2D
MISC	2016	Ford	Explorer
MISC	2016	Ford	Explorer
PPT	2016	Ford	Explorer
PPT	2016	Ford	Explorer
PPT	2015	Ford	Explorer
MISC	2013	Ford	Explorer
MISC	2013	Ford	Explorer
MISC	2013	Ford	Explorer
PPT	2015	Ford	Explorer
PPT	1994	Ford	Aerostar
PPT	2014	Ford	Escape
PPT	2014	Ford	Escape
TRUCK	1992	Ford	Van
PPT	2003	Ford	Expedition
PPT	2003	Ford	Expedition
MISC	2000	Ford	Expedition
PPT	2004	Ford	Expedition
PPT	2002	Ford	Explorer
MISC	2010	Ford	Expedition XLT 4X4
MISC	2010	Ford	Expedition XLT 4X4
PPT	2019	Ford	Expedition
PPT	2013	Ford	Expedition
PPT	2015	Ford	Expedition
MISC	2012	Ford	Expedition
PPT	2011	Ford	Expedition
TRUCK	2008	Ford	E 150
PPT	2002	Ford	Excursion
PPT	2006	Ford	Expedition
MISC	2004	Ford	Expedition
TRUCK	2002	Ford	E350 Econoline
PPT	2000	Ford	Expedition
PPT	2009	Ford	Expedition
MISC	2002	Ford	Expedition
MISC	2002	Ford	Expedition
PPT	2000	Ford	Excursion

MISC	2000	Ford	Excursion
PPT	1999	Ford	Explorer
TRUCK	1999	Ford	E350 Econoline
MISC	2010	Ford	F750
MISC	2012	Ford	F250
TRUCK	2012	Ford	F250
TRUCK	2020	Ford	F250 XL
MISC	2012	Ford	F250 (shared tag )
TRUCK	2015	Ford	F250
MISC	2012	Ford	F250 (shared tag )
TRUCK	2011	Ford	F250
TRUCK	2018	Ford	150 XL 4x2 SuperCrew Ca
TRUCK	2018	Ford	F150 XL
TRUCK	2018	Ford	F150 XL
TRUCK	2018	Ford	F150 XL
TRUCK	2018	Ford	150 XL 4x2 SuperCrew Ca
TRUCK	2018	Ford	150 XL 4x2 SuperCrew Ca
TRUCK	2018	Ford	F150 XL
TRUCK	2018	Ford	150 XL 4x2 SuperCrew Ca
TRUCK	2018	Ford	F150 XL
TRUCK	2018	Ford	F150 XL
TRUCK	2018	Ford	150 XL 4x2 SuperCrew Ca
TRUCK	2016	Ford	F150 XL
TRUCK	2016	Ford	150 XL 4x2 SuperCrew Ca
TRUCK	2016	Ford	150 XL 4x2 SuperCrew Ca
MISC	2010	Ford	F150
TRUCK	2016	Ford	F150 Crew Cab
TRUCK	2011	Ford	F150
MISC	2012	Ford	F150
TRUCK	2011	Ford	F150
TRUCK	2014	Ford	F150
MISC	2011	Ford	Super Crew
MISC	2013	Ford	F150
MISC	2015	Ford	F150
TRUCK	2014	Ford	F150
MISC	2012	Ford	F150
MISC	2010	Ford	F150 Crew Cab
MISC	2010	Ford	F150
MISC	2010	Ford	F150
MISC	2012	StrongwatchFord	F150
MISC	2011	Ford	F150 4X4
MISC	2013	Ford	F150
TRUCK	2011	Ford	Truck



TRUCK	2007	Ford	F150
TRUCK	2004	Ford	F150
TRUCK	2007	Ford	Truck
TRUCK	2000	Ford	Truck
TRUCK	2003	Ford	F150
TRUCK	2003	Ford	F150
TRUCK	2003	Ford	F150
MISC	2002	Ford	F150
MISC	2003	Ford	F150
TRUCK	2007	Ford	F150
TRUCK	2007	Ford	F150
TRUCK	2008	Ford	F150
TRUCK	2006	Ford	F150
TRUCK	2007	Ford	F150
TRUCK	2006	Ford	F150
TRUCK	2007	Ford	F150
TRUCK	2003	Ford	F150
MISC	2003	Ford	F150
MISC	2006	Ford	E350 Econoline
MISC	2010	Ford	350 Terrahawk Surveillanc
TRUCK	2005	Ford	F250
TRUCK	2008	Ford	F150
TRUCK	2007	Ford	F150
MISC	2001	Ford	E350 Econoline
TRUCK	2008	Ford	F350
TRUCK	2007	Ford	Ranger
MISC	2010	Pierce	Contender
MISC	2010	Pierce	Truck Fire PumperTanker
MISC	2016	Ferrara	Freightliner
MISC	2016	Ferrara Intruder	M2106
MISC	2016	Freightliner	M2106
MISC	2016	Freightliner	M2106
TRUCK	2005	Ford	Super GCII
MISC	2008	Pontiac	G6
TRUCK	2002	Chevrolet	Van 3500
MISC	2017	Chevrolet	Van 3500
PA	2009	Chevy	2WD
PA	2009	Chevy	Champio
PA	2000	Chevy Mid Bus	Bus
PA	1999	GMC Bus Express	Bus
PA	2001	Chevy School Bus	Bus
TRUCK	2012	Chevrolet	Colorado
TRUCK	1990	Chevrolet	Truck

MISC	2018	Chevrolet	Silverado
TRUCK	2004	Chevrolet	Silverado
TRUCK	1996	Chevrolet	Truck
MISC	2004	Chevrolet	Silverado
TRUCK	2004	Chevrolet	Silverado
TRUCK	2001	Chevrolet	Silverado
TRUCK	2009	Chevrolet	Silverado
MISC	2017	Chevrolet	Cheyenne
MISC	2012	Chevrolet	Silverado
TRUCK	2010	Chevrolet	Silverado
MISC	2016	Chevrolet	Silverado
TRUCK	2019	Chevrolet	Silverado
MISC	2017	Chevrolet	Van C3500
TRUCK	1996	GMC	Truck
TRUCK	1996	GMC	Truck
TRUCK	1993	GMC	Van
TRUCK	2006	GMC	Grappler
MISC	2018	GMC	Yukon 1500
PPT	2000	Chevrolet	Blazer
PPT	1998	Chevrolet	Blazer
PPT	2003	Chevrolet	Venture
MISC	2009	Chevrolet	Tahoe
MISC	2009	Chevrolet	Tahoe
PPT	2006	Chevrolet	Tahoe
MISC	2007	Chevrolet	Tahoe
MISC	2007	Chevrolet	Tahoe
PPT	2009	Chevrolet	Tahoe
PPT	2009	Chevrolet	Tahoe
PPT	2009	Chevrolet	Tahoe
PPT	2009	Chevrolet	Tahoe
PPT	2009	Chevrolet	Tahoe
PPT	2009	Chevrolet	Tahoe
PPT	2009	Chevrolet	Tahoe
PPT	2007	Chevrolet	Tahoe
TRUCK	2008	Chevrolet	Van 3500
MISC	2012	Chevrolet	Tahoe
PPT	2013	Chevrolet	Tahoe
MISC	2013	Chevrolet	Tahoe
MISC	2013	Chevrolet	Tahoe
MISC	2013	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
PPT	2014	Chevrolet	Tahoe
MISC	2012	Chevrolet	Tahoe

MISC	2014	Chevrolet	Tahoe
MISC	2012	Chevrolet	Tahoe
MISC	2012	Chevrolet	Expedition
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2012	Chevrolet	Tahoe
MISC	2012	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
PPT	2014	Chevrolet	Tahoe
MISC	2013	Chevrolet	Tahoe
MISC	2013	Chevrolet	Tahoe
MISC	2013	Chevrolet	Tahoe
MISC	2012	Chevrolet	Tahoe
MISC	2012	Chevrolet	Tahoe
MISC	2012	Chevrolet	Expedition
MISC	2014	Chevrolet	Tahoe
MISC	2012	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
PPT	2015	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2014	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2018	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2017	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe

MISC	2016	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2017	Chevrolet	Tahoe
MISC	2017	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2017	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2017	Chevrolet	Tahoe
MISC	2017	Chevrolet	Tahoe
MISC	2016	Chevrolet	Tahoe
MISC	2010	Chevrolet	Tahoe
PPT	2012	Chevrolet	Suburban
MISC	2020	Chevrolet	Tahoe
PPT	2019	Chevrolet	Tahoe
MISC	2020	Chevrolet	Tahoe
MISC	2015	Chevrolet	Tahoe
TRUCK	2004	Int	Tractor
TRUCK	2004	Int	Tractor
TRUCK	2009	Ford	International Medical Trucl
TRUCK	2004	Int	Vaccum
TRUCK	2004	International	Dump
MISC	2000	International	Navistar
MISC	2000	Pierce	Truck Fire
TRUCK	1999	International	Water
TRUCK	1999	International	Water
TRUCK	2007	Int	Fuel
MISC	2006	Jeep	Wrangler
MISC	2007	Jeep	Commander
MISC	2013	Chevrolet	Tahoe
PPT	2006	Toyota	Corolla
TRUCK	2005	Peterbilt	Tractor
TRUCK	2005	Peterbilt	Tractor
TRUCK	2007	Peterbilt	Tractor
TRUCK	2007	Peterbilt	Tractor
PPT	2000	Dodge	Intrepid
MISC	2008	Dodge	Charger
TRUCK	1987	Dodge	Van
TRUCK	1991	Dodge	Van
TRUCK	1998	Dodge	Maxi Wagon
PPT	2015	Dodge	Charger
PPT	2014	Dodge	Charger

MISC	2016	Dodge	Charger
PPT	2014	Dodge	Charger
MISC	2014	Dodge	Charger
MISC	2015	Dodge	Charger
MISC	2015	Dodge	Charger
MISC	2016	Dodge	Charger
MISC	2016	Dodge	Charger
PPT	2015	Dodge	Charger
PPT	2014	Dodge	Grand Caravan
PPT	2019	Dodge	Grand Caravan
TRUCK	2011	GMC	Truck
PPT	2007	Dodge	Grand Caravan
PPT	2008	Dodge	Grand Caravan
PPT	2011	Ford	Crown Victoria
MISC	2010	Ford	Police Interceptor
MISC	2010	Ford	Crown Victoria
MISC	2010	Ford	Police Interceptor
MISC	2010	Ford	Police Interceptor
MISC	2010	Ford	Police Interceptor
MISC	2010	Ford	Police Interceptor
MISC	2006	Ford	Crown Victoria
MISC	2007	Ford	Crown Victoria
MISC	2006	Ford	Crown Victoria
MISC	2005	Ford	Crown Victoria
MISC	2005	Ford	Crown Victoria
PPT	2012	Ford	Edge
MISC	1999	Ford	F150
TRUCK	2000	Ford	F150
PPT	2014	Chevrolet	Impala
PPT	2010	Chevrolet	Impala
PPT	2010	Chevrolet	Impala
PPT	2010	Chevrolet	Impala
MISC	2004	Chevrolet	Impala
MISC	2006	Chevrolet	Impala
MISC	2007	Chevrolet	Impala
PPT	2007	Chevrolet	4dr
PPT	2000	Chevrolet	MonteCarlo
MISC	2002	Chevrolet	Silverado
TRUCK	2014	Peterbilt	337
TRUCK	2018	Peterbilt	Dump
TRUCK	2018	Peterbilt	Dump
TRUCK	2011	Peterbilt	Water
TRUCK	2005	Peterbilt	10YD

TRUCK	2008	Peterbilt	Dump
TRUCK	2013	Peterbilt	Garbage
TRUCK	2013	Peterbilt	Garbage
TRUCK	2013	Peterbilt	Side Garbage Loader
TRUCK	2013	Peterbilt	Side Garbage Loader
TRUCK	2013	Peterbilt	Garbage
PPT	2016	Ford	Fusion S
PPT	2016	Ford	Fusion S
PPT	2016	Ford	Fusion S
PPT	2008	Ford	Fusion
PPT	2007	Ford	Fusion
MISC	2006	Ford	F750
MISC	2016	Ford	F750 Brush Fire Truck
MISC	2010	Ford	F750 Brush Truck
MISC	2009	Chevrolet	Silverado
PPT	1997	Chevrolet	Tahoe
TRUCK	2007	Chevrolet	Truck
TRUCK	2014	Chevrolet	Silverado
TRUCK	2014	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
TRUCK	2018	Chevrolet	Silverado
MISC	2014	Chevrolet	Silverado
PPT	2002	Chevrolet	Suburban
PPT	2005	Chevrolet	Suburban
MISC	2018	GMC	Sierra
PPT	2007	Cadillac	Escalade
TRUCK	2016	International	ational ProStar Harvester
TRUCK	2015	International	ernational Tractor Prosta
PPT	2009	Nissan	Versa
TRUCK	2015	Chevrolet	Van 3500
TRUCK	2016	Nissan	NV200 Compact
TRUCK	2016	Nissan	NV200 Compact
MISC	2013	Ferrara	Ember
MISC	2013	Ferrara Intruder	Ember
MISC	2014	Ferrara	Ember

MISC	2013	Ferrara Intruder	Ember
PA	2003	International School B	Bus
PPT	2013	Toyota	Camry
PPT	2013	Toyota	Camry
PA	2001	Freightliner Bus	Bus
PPT	2005	Honda	Odyssey
MISC	2007	Ford	Navigator
PPT	2010	Toyota	Sienna
PPT	2008	Toyota	Sienna
PPT	2014	Toyota	Sienna
PPT	2014	Toyota	Sienna
PPT	2014	Toyota	Sienna
PPT	2015	Toyota	Sienna
PPT	2017	Toyota	Sienna
PPT	2017	Toyota	Sienna
PPT	2018	Toyota	Sienna
PPT	2017	Toyota	Sienna
PPT	2014	Toyota	Corolla
MISC	1986	AM	GeneralMilitary
MISC	1986	AM General	Military Cargo
TRUCK	2006	Dodge	Ram
MISC	2012	Ford	Expedition
MISC	2006	Honda	CRV
MISC	2005	Honda	CRV
PPT	2010	Mazda	4dr
PPT	2010	Mazda	4dr
PPT	1993	Nissan	Sentra
PPT	2015	Nissan	Van
PPT	2011	Nissan	Cube
PPT	2008	Toyota	Prism
PPT	2015	Kia	Soul
MISC	2018	Ford	E350 Econoline
MISC	2018	Ford	E350 Econoline
TRUCK	2013	Ford	Transit Connect
TRUCK	2005	Ford	F250
PPT	2006	Ford	Expedition
PPT	2005	BMW	Sedan
TRUCK	2018	Ford	Transit350
TRUCK	2017	Ford	Transit350
TRUCK	2018	Ford	Transit350
TRUCK	2017	Ford	Transit350
TRUCK	2018	Ford	Transit350
TRUCK	2020	Ford	Expedition

MISC	2020	Ford	Explorer
PPT	2020	Ford	Explorer
PPT	2020	Ford	Explorer
PPT	2020	Ford	Explorer
MISC	2020	Ford	Explorer
TRUCK	2020	Ford	Transit150 Passenger
TRUCK	2020	Ford	Transit150 Passenger
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2020	Ford	F250
TRUCK	2018	Ford	F250
TRUCK	2018	Ford	F250
TRUCK	2018	Ford	F250
TRUCK	2015	Ford	F250
TRUCK	2015	Ford	F250
TRUCK	2015	Ford	F250
TRUCK	2015	Ford	F350
TRUCK	2020	Ford	F350
TRUCK	2020	Ford	F350
TRUCK	2018	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2020	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2020	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2020	Ford	F150
TRUCK	2018	Ford	F150
TRUCK	2020	Ford	F150
TRUCK	2020	Ford	F150
TRUCK	2020	Ford	F150



MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
MISC	2020	Ford	F150 Police Responder
TRUCK	2014	Ford	F150
TRUCK	2016	Ford	F150
TRUCK	2016	Ford	F150
TRUCK	2016	Ford	F150
TRUCK	2016	Ford	F150
TRUCK	2016	Ford	F150
TRUCK	2020	Ford	Transit150 Cargo
TRUCK	2020	Ford	Transit150 Cargo
TRUCK	2020	Ford	Transit150 Cargo
TRUCK	2018	Ford	Transit150
TRUCK	2015	Chevrolet	Express 3500
TRUCK	2015	Chevrolet	Express 3500
TRUCK	2015	Chevrolet	Express 3500
TRUCK	2015	Chevrolet	Express 3500
TRUCK	2015	Chevrolet	Express 3500
TRUCK	2015	Chevrolet	Express 3500
TRUCK	2015	Chevrolet	Express 3500
TRUCK	2015	Chevrolet	Express 3500
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2020	Chevrolet	Tahoe
MISC	2020	Chevrolet	Tahoe
MISC	2020	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2020	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe
MISC	2019	Chevrolet	Tahoe





PA	2012	FORD	BUS
PA	2016	FORD	BUS
PA	2012	FORD	BUS
TRUCK	2019	FORD	E450
TRUCK	2019	FORD	E450
PA	2015	Ford	Bus
TRUCK	2019	FORD	E450
TRUCK	2019	FORD	E450
TRUCK	2003	FORD5350	CREW
PPT	2016	FORD	EXPLORERER
PPT	2012	FORD	4DR
PPT	2002	Ford	Excursion
TRUCK	2001	FORD	S
TRUCK	2007	FORD	RANGER
TRUCK	2011	FORD	REG
TRUCK	2011	FORD	REG
TRUCK	2016	FORD	F150
TRUCK	2016	FORD	F150
TRUCK	2010	Ford	F150
TRUCK	2002	FORD	UTILITY
TRUCK	2006	FORD	E150
TRUCK	2003	SUPERCAB	F150
PA	2010	CHEVROLET	CG33803
PA	2009	CHAMPION	CHALLENGER
TRUCK	2009	CHEV	2WD
TRUCK	2009	CHEV	2WD
TRUCK	2009	CHEV	2WD
PA	2002	EL	DORADO
PA	2009	CHEVROLET	TYPE
PA	2003	CHEVY	CG3503
PA	2006	CHEVROLET33803	MID
TRUCK	2012	CHEVY	COLORADO
PA	1993	GMC	BUS
PA	2002	International	School
PPT	2003	FORD	WINSTAR
TRUCK	2015	CHEVY	CITY
TRUCK	2016	NISSAN	VAN
TRUCK	2016	NISSAN	VAN
TRUCK	2005	CARRYON	CARGO
PPT	2010	TOYOTA	SIENNA
PPT	2014	TOYOTA	SIENNA
PPT	2015	TOYOTA	SIENNA
PPT	2015	TOYOTA	SIENNA

PPT	2017	TOYOTA	SIENNA
PPT	2017	TOYOTA	SIENNA
PPT	2017	TOYOTA	SIENNA
PPT	2017	TOYOTA	SIENNA
PA	2013	INTERNATIONAL	BUS
PPT	2010	FORD	MAZDA
PPT	2015	KIA	SOUL
TRUCK	2013	FORD	VAN
TRUCK	1996	trailer	trailer
TRUCK	1975	trailer	trailer
TRUCK	1989	trailer	trailer
TRUCK	2006	trailer	trailer
TRUCK	2014	trailer	trailer
TRUCK	2014	trailer	trailer

VIN	Cost New	Stated Amount	Garaging City	Garaging State	Garaging Zip
173861	34,813		Laredo	TX	78040
2303044	6,500		Laredo	TX	78040
2D8HN44E59R571439	20,369		Laredo	TX	78040
3FAHP06Z19R151436	15,504		Laredo	TX	78040
NM0LS6AN9CT089295	5,000		Laredo	TX	78040
1B3DL46X22N321923	3,000		Laredo	TX	78040
1B7HF13YXVJ605699	1,000		Laredo	TX	78040
1C6RR7KT3HS562849	25,123		Laredo	TX	78040
1C6RR7XT7FS603313	29,105		Laredo	TX	78040
1C6RR7XT9FS603314	29,105		Laredo	TX	78040
1C6RR7TXES223039	29,887		Laredo	TX	78040
1D4GP25R97B205816	17,824		Laredo	TX	78040
1D7HA182X6J198946	30,000		Laredo	TX	78040
1D7HA18N84J275949	21,295		Laredo	TX	78040
1D7HU182X6S649603	4,798		Laredo	TX	78040
1D8HD38K97F530684	9,873		Laredo	TX	78040
1FAFP53U52A162422	3,500		Laredo	TX	78040
1FBJS31H1THB03104	25,000		Laredo	TX	78040
1FBJS31H5RHC04168	3,000		Laredo	TX	78040
1FBJS31H7RHC04169	25,000		Laredo	TX	78040
1FBJS31HTHA113300	2,000		Laredo	TX	78040
1FBNE31L82HA22158	25,000		Laredo	TX	78040
1FBNE3BL8BDA31612	21,844		Laredo	TX	78040
1FBSS31192HA62387	4,000		Laredo	TX	78040
1FBSS31656HA50548	22,000		Laredo	TX	78040
1FBSS31L02HA62388	24,015		Laredo	TX	78040
FBSS31L12HA69186 (cc:	22,736		Laredo	TX	78040
1FBSS31L18DA41825	29,190		Laredo	TX	78040
1FBSS31L26HA53178	25,742		Laredo	TX	78040
1FBSS31L36DB40708	23,690		Laredo	TX	78040
1FBSS31L38DA41826	29,190		Laredo	TX	78040
1FBSS31L84HB42590	22,927		Laredo	TX	78040
1FBSS31L87DB35120	12,000		Laredo	TX	78040
1FBSS31L8XHB85671	23,057		Laredo	TX	78040
1FBSS31L8YHB57883	5,000		Laredo	TX	78040
FBSS31LX2HA69185 (cc:	22,422		Laredo	TX	78040
1FBSS31LX4HB42591	22,927		Laredo	TX	78040
1FBSS31LXXHC12143	3,000		Laredo	TX	78040
1FBSS31S65HA31688	19,641		Laredo	TX	78040

1FD0X5HT3CEC92995	88,300	Laredo	TX	78040
1FD0X5HT3CEC92995	88,300	Laredo	TX	78040
1FD0X5HT9GEA84111	122,647	Laredo	TX	78040
1FDKF37F8VEC04084	25,000	Laredo	TX	78040
1FDRF3G63BEC78314	25,000	Laredo	TX	78040
1FDRF3GT8GEB33637	147,043	Laredo	TX	78040
1FDRF3GT8GEB33637	147,043	Laredo	TX	78040
1FDUF5HT2BEA02779	85,000	Laredo	TX	78040
1FM5K7B86GGA78047	12,410	Laredo	TX	78040
1FM5K7B88GGA78048	12,542	Laredo	TX	78040
1FM5K7B8XGGA78049	12,580	Laredo	TX	78040
1FM5K7BH4GGB72055	28,266	Laredo	TX	78040
1FM5K7D85FGA57279	26,227	Laredo	TX	78040
1FM5K8AR1DGC40436	42,031	Laredo	TX	78040
1FM5K8AR6DGA72387	40,237	Laredo	TX	78040
1FM5K8ARXDGC40435	42,031	Laredo	TX	78040
1FM5K8D86FGA21431	31,747	Laredo	TX	78040
1FMCA11UIRZB30505	25,000	Laredo	TX	78040
1FMCU9GX1EUE28549	26,320	Laredo	TX	78040
1FMCU9GX1EUE28549	25,000	Laredo	TX	78040
1FMDA31X4NZA51611	1,000	Laredo	TX	78040
1FMFU15L63LB66691	24,440	Laredo	TX	78040
1FMFU15L83LB66692	24,440	Laredo	TX	78040
1FMFU175X5LA38276	15,975	Laredo	TX	78040
1FMFU17L14LA05888	24,440	Laredo	TX	78040
1FMHK7D80CGA93955	40,553	Laredo	TX	78040
1FMJK1G50AEB64841	35,942	Laredo	TX	78040
1FMJK1G59AEB64840	35,942	Laredo	TX	78040
1FMJK1GT5KEA38877	40,078	Laredo	TX	78040
1FMJKIG51DEF16832	32,027	Laredo	TX	78040
1FMJKIGT8FEF13377	35,457	Laredo	TX	78040
1FMJKNF53CEF67183	44,904	Laredo	TX	78040
1FMJU1F51BEF36815	24,440	Laredo	TX	78040
1FMNE11W88DA37412	26,000	Laredo	TX	78040
1FMNU42F9EC24095	35,478	Laredo	TX	78040
1FMPU15526LA65626	24,440	Laredo	TX	78040
1FMPU15565LA25158	24,203	Laredo	TX	78040
1FMRE11W52HA65458	19,480	Laredo	TX	78040
1FMRU1561YLB20698	27,779	Laredo	TX	78040
1FMRU1561YLB20698	27,779	Laredo	TX	78040
1FMRU15L52LA96693	24,440	Laredo	TX	78040
1FMRU15L72LA96694	25,387	Laredo	TX	78040
1FMSU43F0YED54681	2,500	Laredo	TX	78040

1FMSU43F3YEC52128	21,425	Laredo	TX	78040
1FMYU22E8XUB75607	4,000	Laredo	TX	78040
1FNSS31L8XHA46057	23,000	Laredo	TX	78040
1FRXW7FH7AV274777	148,400	Laredo	TX	78040
1FT7W2A60CEA07677	45,886	Laredo	TX	78040
1FT7W2A60CEA07678	34,813	Laredo	TX	78040
1FT7W2A65LCE31754	40,015	Laredo	TX	78040
1FT7W2AT5CEB43003	34,813	Laredo	TX	78040
1FT7W2AT5FEB54104	34,813	Laredo	TX	78040
1FT7W2AT7CEB43004	34,813	Laredo	TX	78040
1FTBF2A64BEB41795	25,000	Laredo	TX	78040
1FTEW1CB0JKE95815	25,000	Laredo	TX	78040
1FTEW1CB2JKE95816	22,430	Laredo	TX	78040
1FTEW1CB4JKE95817	25,000	Laredo	TX	78040
1FTEW1CB4JKE95818	22,607	Laredo	TX	78040
1FTEW1CB5JKD95399	25,000	Laredo	TX	78040
1FTEW1CB7JKE95813	22,430	Laredo	TX	78040
1FTEW1CB8JKD95395	17,788	Laredo	TX	78040
1FTEW1CB8JKD95400	17,064	Laredo	TX	78040
1FTEW1CB9JKE95814	22,430	Laredo	TX	78040
1FTEW1CBXJKD95396	25,000	Laredo	TX	78040
1FTEW1CBXJKD95401	17,206	Laredo	TX	78040
1FTEW1CP2GKE76915	25,000	Laredo	TX	78040
1FTEW1CP4GKE76916	25,000	Laredo	TX	78040
1FTEW1CP6GKE76917	25,000	Laredo	TX	78040
1FTEW1CW1AFB33701	19,598	Laredo	TX	78040
1FTEWIC86GFA12379	31,651	Laredo	TX	78040
1FTFW1CF0BKD41534	24,270	Laredo	TX	78040
1FTFW1CF1CFB26934	47,152	Laredo	TX	78040
1FTFW1CF2BKD41535	24,270	Laredo	TX	78040
1FTFW1CF5EKF28451	26,825	Laredo	TX	78040
1FTFW1CF7BFC15700	28,256	Laredo	TX	78040
1FTFW1CF7DKE52391	39,540	Laredo	TX	78040
1FTFW1CF7EKD62319	39,298	Laredo	TX	78040
1FTFW1CF9EKF93996	19,598	Laredo	TX	78040
1FTFW1CFXCFB26933	47,152	Laredo	TX	78040
1FTFW1CV1AKE79380	28,549	Laredo	TX	78040
1FTFW1CV8AFB53066	21,327	Laredo	TX	78040
1FTFW1CVXAFB53067	21,327	Laredo	TX	78040
1FTFW1EF1DKD69732	183,986	Laredo	TX	78040
1FTFW1EF4BKD22952	45,096	Laredo	TX	78040
1FTFW1EF7DKD27551	27,562	Laredo	TX	78040
1FTFW1EF8BKD38359	9,000	Laredo	TX	78040

1FTFW1EV2AKE77702	27,275	Laredo	TX	78040
1FTFW1EY5AKE24377	44,996	Laredo	TX	78040
1FTFWIEF7DKD27551	27,562	Laredo	TX	78040
1FTHF25H6RLB07268	8,000	Laredo	TX	78040
1FTMF1CM0BKD38574	6,500	Laredo	TX	78040
1FTMF1CM0EKE31650	25,000	Laredo	TX	78040
1FTMF1CM2BKD38575	6,500	Laredo	TX	78040
1FTMF1CM4BKD38576	6,500	Laredo	TX	78040
1FTMFIC89GKF66213	23,959	Laredo	TX	78040
1FTNE14W27DA82621	15,940	Laredo	TX	78040
1FTNE2EW1BDA60719	17,414	Laredo	TX	78040
1FTNE2EW8BDA60720	17,414	Laredo	TX	78040
1FTNE2EWXBDA60718	17,414	Laredo	TX	78040
1FTNE9ZM4FKA26003	8,564	Laredo	TX	78040
1FTNE9ZM6FKA26004	8,543	Laredo	TX	78040
1FTNF205X8EA08665	28,500	Laredo	TX	78040
1FTNW20L52EB83587	21,374	Laredo	TX	78040
1FTNW21L5XED31128	18,700	Laredo	TX	78040
1FTPW12555FB74517	19,598	Laredo	TX	78040
1FTPW12576KB22167	34,446	Laredo	TX	78040
1FTPW12V17KD41899	22,400	Laredo	TX	78040
1FTPW12V17KD41904	22,400	Laredo	TX	78040
1FTPW12V27KC40726	22,775	Laredo	TX	78040
1FTPW12V27KD37134	22,400	Laredo	TX	78040
1FTPW12V37KD41905	22,400	Laredo	TX	78040
1FTPW12V47KD37135	22,400	Laredo	TX	78040
1FTPW12V47KD41900	22,400	Laredo	TX	78040
1FTPW12V57KD41906	22,400	Laredo	TX	78040
1FTPW12V87KD41897	22,400	Laredo	TX	78040
1FTPW12V87KD41902	22,400	Laredo	TX	78040
1FTPW12V97FB66472	22,400	Laredo	TX	78040
1FTPW12VG7KD41901	22,400	Laredo	TX	78040
1FTPW12VX7KD41898	22,400	Laredo	TX	78040
1FTPW12VX7KD41903	22,400	Laredo	TX	78040
1FTPW14555KE70027	27,919	Laredo	TX	78040
1FTPW14V47KD20428	29,624	Laredo	TX	78040
1FTPX14534FA02673	9,825	Laredo	TX	78040
1FTRE142X2HB71868	5,000	Laredo	TX	78040
1FTRE14W86HA75956	13,521	Laredo	TX	78040
1FTRF12W07KC19732	14,776	Laredo	TX	78040
1FTRF12W27NA28442	19,598	Laredo	TX	78040
1FTRF12W47NA28443	147,776	Laredo	TX	78040
1FTRF12W95NB00850	13,649	Laredo	TX	78040

1FTRF12W97KC19731	25,000	Laredo	TX	78040
1FTRF12W97KC19731	15,376	Laredo	TX	78040
1FTRF14W37KC61356	8,000	Laredo	TX	78040
1FTRF17W3YKB40131	3,000	Laredo	TX	78040
1FTRF17W43NA93408	17,200	Laredo	TX	78040
1FTRF17WX3NB18103	17,200	Laredo	TX	78040
1FTRW07603KB67435	23,200	Laredo	TX	78040
1FTRW07L02KB70856	22,096	Laredo	TX	78040
1FTRW08L73KD50299	19,598	Laredo	TX	78040
1FTRW12W77KC46555	25,000	Laredo	TX	78040
1FTRW12WX7KC60403	21,009	Laredo	TX	78040
1FTRW14W17KC26413	25,000	Laredo	TX	78040
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1FTRX12W37FA77897	25,000	Laredo	TX	78040
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1FTRX17W73NB18461	19,598	Laredo	TX	78040
1FTSS34L66HA46080	22,411	Laredo	TX	78040
1FTSS3ES9ADA27075	171,129	Laredo	TX	78040
1FTSW21P85ED00619	34,813	Laredo	TX	78040
1FTSX21538EA15178	23,327	Laredo	TX	78040
1FTWW30558EA93909	15,078	Laredo	TX	78040
1FTWW32F11EC37760	27,311	Laredo	TX	78040
1FTWW32YX8EA08697	7,000	Laredo	TX	78040
1FTYR10D17PA56595	11,035	Laredo	TX	78040
1FVACYBS4ADAR3633	255,000	Laredo	TX	78040
1FVACYBS4ADAR3633	255,000	Laredo	TX	78040
1FVACYCY3GHGZ0972	293,900	Laredo	TX	78040
1FVACYCY3GHGZ0972	293,900	Laredo	TX	78040
1FVDCXDT0GHHM5615	175,112	Laredo	TX	78040
1FVDCXDT0GHHM5615	175,112	Laredo	TX	78040
1FXDXE45S45HA66086	12,000	Laredo	TX	78040
1G2ZG57B684186479	5,000	Laredo	TX	78040
1GAHG39R921108267	24,999	Laredo	TX	78040
1GAZGPF0H1181020	46,870	Laredo	TX	78040
1GBE5V1999F401966	83,424	Laredo	TX	78040
1GBG5V1939F412650	94,871	Laredo	TX	78040
1GBHG31R3Y1141197	34,007	Laredo	TX	78040
1GBHG31R7X1157742	39,741	Laredo	TX	78040
1GBJG31RX11167299	34,615	Laredo	TX	78040
1GCCSBFE1C8157550	30,904	Laredo	TX	78040
1GCDC14Z6LZ265190	5,000	Laredo	TX	78040

1GCEC14J98Z107819	19,490	Laredo	TX	78040
1GCEC14V94Z328317	14,164	Laredo	TX	78040
1GCEC34KZTZ189698	4,000	Laredo	TX	78040
1GCEK19V04Z323227	22,287	Laredo	TX	78040
1GCEK19V04Z323468	22,287	Laredo	TX	78040
1GCHC24G31E320074	17,385	Laredo	TX	78040
1GCHC43KX9F100468	26,668	Laredo	TX	78040
1GCNK9EC0HZ108598	29,000	Laredo	TX	78040
1GCPKPE71CF219655	39,494	Laredo	TX	78040
1GCSKPE07AZ250336	24,537	Laredo	TX	78040
1GCUK9EJ4GG152354	43,150	Laredo	TX	78040
1GCUYEED5KZ159307	39,984	Laredo	TX	78040
1GCZGHFG0H1307504	55,617	Laredo	TX	78040
1GDG6H1PSTJ511480	2,500	Laredo	TX	78040
1GDG6H1PTJ11480	2,500	Laredo	TX	78040
1GDM7T1P2PJ517049	25,000	Laredo	TX	78040
1GDM8C1356F409827	21,849	Laredo	TX	78040
1GKS1AEC4JR102739	39,038	Laredo	TX	78040
1GNCS13W6Y2199978	10,000	Laredo	TX	78040
1GNDT13W9WK157755	8,000	Laredo	TX	78040
1GNDU23E83D171088	18,659	Laredo	TX	78040
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1GNFC13017R309802	34,623	Laredo	TX	78040
1GNFC13087R309943	34,623	Laredo	TX	78040
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1GNFC13C87R351409	29,624	Laredo	TX	78040
1GNFG154281234001	23,659	Laredo	TX	78040
1GNLC2E00CR185957	41,841	Laredo	TX	78040
1GNLC2E00DR264188	35,854	Laredo	TX	78040
1GNLC2E00DR307914	43,255	Laredo	TX	78040
1GNLC2E00DR309243	43,255	Laredo	TX	78040
1GNLC2E00DR312157	35,644	Laredo	TX	78040
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1GNLC2E00ER205403	25,000	Laredo	TX	78040
1GNLC2E01CR323988	45,081	Laredo	TX	78040

1GNLC2E01ER195593	31,975	Laredo	TX	78040
1GNLC2E02CR185927	41,841	Laredo	TX	78040
1GNLC2E02CR259802	45,380	Laredo	TX	78040
1GNLC2E02ER194775	46,826	Laredo	TX	78040
1GNLC2E02ER207184	43,307	Laredo	TX	78040
1GNLC2E03ER194509	50,763	Laredo	TX	78040
1GNLC2E03ER195093	46,826	Laredo	TX	78040
1GNLC2E03ER205637	43,307	Laredo	TX	78040
1GNLC2E03ER206996	43,307	Laredo	TX	78040
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1GNLC2E09CR317128	45,380	Laredo	TX	78040
1GNLC2E09ER194532	48,199	Laredo	TX	78040
1GNLC2E0XCR321737	45,081	Laredo	TX	78040
1GNLC2E0XDR358062	35,885	Laredo	TX	78040
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1GNLC2EC4FR720514	50,052	Laredo	TX	78040
1GNLC2EC6FR598867	50,052	Laredo	TX	78040
1GNLC2EC7FR718637	54,798	Laredo	TX	78040
1GNLC2ECXFR717505	54,798	Laredo	TX	78040
1GNLC2EO1DR356636	48,653	Laredo	TX	78040
1GNLC2EO3ER195093	31,975	Laredo	TX	78040
1GNLC2EO7ER208234	43,307	Laredo	TX	78040
1GNLC2EO9ER207649	43,307	Laredo	TX	78040
1GNLCDE8KR239669	31,975	Laredo	TX	78040
1GNLCDEC0GR392215	56,993	Laredo	TX	78040
1GNLCDEC0GR392456	56,993	Laredo	TX	78040
1GNLCDEC0JR226400	56,311	Laredo	TX	78040
1GNLCDEC1GR162909	39,981	Laredo	TX	78040
1GNLCDEC2GR392202	56,993	Laredo	TX	78040
1GNLCDEC2HR365910	58,713	Laredo	TX	78040
1GNLCDEC4GR296975	52,000	Laredo	TX	78040

1GNLCDEC5GR295298	56,164	Laredo	TX	78040
1GNLCDEC5GR295687	52,000	Laredo	TX	78040
1GNLCDEC5GR392856	56,993	Laredo	TX	78040
1GNLCDEC5HR156144	57,455	Laredo	TX	78040
1GNLCDEC5HR217587	56,311	Laredo	TX	78040
1GNLCDEC6GR297903	56,929	Laredo	TX	78040
1GNLCDEC7GR392258	56,993	Laredo	TX	78040
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1GNLCDEC8GR162017	39,981	Laredo	TX	78040
1GNLCDEC8HR235565	31,975	Laredo	TX	78040
1GNLCDECGHR36499	52,399	Laredo	TX	78040
1GNLCDECXGR298178	52,000	Laredo	TX	78040
1GNMCAE38AR150315	31,975	Laredo	TX	78040
1GN5C5E05CR292421	32,787	Laredo	TX	78040
1GN5CAKC5LR21054	50,261	Laredo	TX	78040
1GN5CAKCXKR257556	25,000	Laredo	TX	78040
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1GN5CKKC8FR566706	60,752	Laredo	TX	78040
1HSWYAHR04J085764	30,000	Laredo	TX	78040
1HSWYAHR94J085763	85,472	Laredo	TX	78040
1HTMKAAN29H087509	26,000	Laredo	TX	78040
1HTMMAAR64H61643	85,472	Laredo	TX	78040
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1HTSDADR11H257802	182,573	Laredo	TX	78040
1HTSDADR11H257802	182,573	Laredo	TX	78040
1HTSHAAR4XH683372	62,097	Laredo	TX	78040
1HTSHAAR6XH683373	62,097	Laredo	TX	78040
1HTWCAZN47J484459	30,000	Laredo	TX	78040
1J4FA64S86P713437	28,000	Laredo	TX	78040
1J8HG48P77C654602	15,000	Laredo	TX	78040
1NLC2E01DRI78887	46,327	Laredo	TX	78040
1NXBR32E06Z587094	6,000	Laredo	TX	78040
1XPFDU9X85D846610	30,000	Laredo	TX	78040
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1XPGDU9X67D693832	32,226	Laredo	TX	78040
2B3HD46R9YH325971	2,500	Laredo	TX	78040
2B3LA43HX8H232942	15,474	Laredo	TX	78040
2B4HB21T4HK278697	25,000	Laredo	TX	78040
2B5WB352MK456702	3,000	Laredo	TX	78040
2B5WB35Z5WK144074	25,000	Laredo	TX	78040
2C3CDXAT1FH765813	32,260	Laredo	TX	78040
2C3CDXAT4EH257172	25,000	Laredo	TX	78040

2C3CDXAT5GH122267	41,514	Laredo	TX	78040
2C3CDXAT6EH257173	31,773	Laredo	TX	78040
2C3CDXAT6EH286351	38,627	Laredo	TX	78040
2C3CDXAT6FH867138	38,000	Laredo	TX	78040
2C3CDXAT8FH867139	39,337	Laredo	TX	78040
2C3CDXAT8GH341031	42,177	Laredo	TX	78040
2C3CDXAT9GH126726	41,514	Laredo	TX	78040
2C3CDXATXFH765812	25,000	Laredo	TX	78040
2C4RDGBG8ER365828	20,000	Laredo	TX	78040
2C7WDGBG8KR584273	45,999	Laredo	TX	78040
2CTFLSE50B6315977	35,000	Laredo	TX	78040
2D4GP44L27R203707	25,000	Laredo	TX	78040
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2FABP7BV0BX166809	25,000	Laredo	TX	78040
2FABP7BV1AX121585	36,757	Laredo	TX	78040
2FABP7BV3AX119501	36,799	Laredo	TX	78040
2FABP7BV6AX121582	36,687	Laredo	TX	78040
2FABP7BV8AX115167	35,534	Laredo	TX	78040
2FABP7BV8AX121583	36,000	Laredo	TX	78040
2FABP7BVXAX121584	35,612	Laredo	TX	78040
2FAFP71W06X144987	18,000	Laredo	TX	78040
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2FAFP71W46X144989	30,687	Laredo	TX	78040
2FAFP71W85X129653	24,546	Laredo	TX	78040
2FAFP71WX5X129654	24,546	Laredo	TX	78040
2FMDK3KC5CBA43753	25,000	Laredo	TX	78040
2FTRX07L9XCA55293	12,650	Laredo	TX	78040
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2G1WW12E7Y9240728	25,000	Laredo	TX	78040
2GCEC19T8Y1381869	4,470	Laredo	TX	78040
2NP2HJ8XXEM236568	21,317	Laredo	TX	78040
2NP3LJ0X4JM458676	115,303	Laredo	TX	78040
2NP3LJ0X6JM458677	30,000	Laredo	TX	78040
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2NPNLD9X95M846621	30,000	Laredo	TX	78040

2NPRLN0X48M754860	99,658	Laredo	TX	78040
3BPZL70X0DF176283	238,223	Laredo	TX	78040
3BPZL70X2DF176284	30,000	Laredo	TX	78040
3BPZL70X2DF176284	238,223	Laredo	TX	78040
3BPZL70X4DF176283	30,000	Laredo	TX	78040
3BPZL70X4DF176285	238,223	Laredo	TX	78040
3FA6P0G71GR226718	8,770	Laredo	TX	78040
3FA6P0G73GR226719	8,736	Laredo	TX	78040
3FA6P0G7XGR226717	8,921	Laredo	TX	78040
3FAHP06Z08R189027	15,551	Laredo	TX	78040
3FAJP07Z27R197384	25,000	Laredo	TX	78040
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3GCPCPEC4EG236980	32,405	Laredo	TX	78040
3GCPCREC3JG550383	34,208	Laredo	TX	78040
3GCPCREC3JG551078	34,208	Laredo	TX	78040
3GCPCREC9JG577796	34,208	Laredo	TX	78040
3GCPCRECXJG551062	34,208	Laredo	TX	78040
3GCUKREC1JG141479	25,000	Laredo	TX	78040
3GCUKREC2JG518546	36,889	Laredo	TX	78040
3GCUKREC4JG617823	39,355	Laredo	TX	78040
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3GCUKREC8JG617789	39,335	Laredo	TX	78040
3GCUKSEC2EG407391	22,000	Laredo	TX	78040
3GNEC16Z32G144690	6,000	Laredo	TX	78040
3GNEC16Z55G250675	28,884	Laredo	TX	78040
3GTPIMECC9JG105512	33,612	Laredo	TX	78040
3GYFK62807G168571	17,331	Laredo	TX	78040
3HSDJSNR1GN263396	30,000	Laredo	TX	78040
3HSDJSNR2FN737354	105,458	Laredo	TX	78040
3N1BC11E79L395104	25,000	Laredo	TX	78040
3N63MOYNOFK719040	25,000	Laredo	TX	78040
3N6CMOKN3GK695763	25,000	Laredo	TX	78040
3N6CMOKNXGK698837	25,000	Laredo	TX	78040
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44KFT4280DWZ22440	291,000	Laredo	TX	78040
44KFT4281DWZ22446	291,000	Laredo	TX	78040

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5FNRL38245B070759	25,000	Laredo	TX	78040
5LMFU2752LJ23778	35,950	Laredo	TX	78040
5TDDK3DCXBS064927	27,912	Laredo	TX	78040
5TDZK23C78S185322	25,000	Laredo	TX	78040
5TDZK3DC2ES502441	25,000	Laredo	TX	78040
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5TDZK3DC7FS644835	25,000	Laredo	TX	78040
5TDZZ3DC0HS817920	25,000	Laredo	TX	78040
5TDZZ3DC1HS854278	27,786	Laredo	TX	78040
5TDZZ3DC1JS954709	25,000	Laredo	TX	78040
5TDZZ3DC5HS853764	27,786	Laredo	TX	78040
5YFBURHE6EPO41781	20,000	Laredo	TX	78040
C52308921	6,500	Laredo	TX	78040
C523-08921	6,500	Laredo	TX	78040
ED7HU182X6S649603	21,295	Laredo	TX	78040
IFMJK1F55CEF67184	44,904	Laredo	TX	78040
JHLRD78746C404192	6,670	Laredo	TX	78040
JHLRD78775C606068	34,500	Laredo	TX	78040
JM1CR2W31A0369287	20,719	Laredo	TX	78040
JM1CR2W38A0364460	21,344	Laredo	TX	78040
JN1EB31P1PV238572	2,500	Laredo	TX	78040
JN8AE2KP5F9126861	18,700	Laredo	TX	78040
JN8AZ2KR7BT201126	20,662	Laredo	TX	78040
JTDKB20U87700685	8,000	Laredo	TX	78040
KNDJN2A29F7133017	24,781	Laredo	TX	78040
NM0GE9F70J1365568	38,312	Laredo	TX	78040
NM0GE9F72J1365569	38,312	Laredo	TX	78040
NMOLS6BN8DT150765	20,296	Laredo	TX	78040
none	34,813	Laredo	TX	78040
none	24,440	Laredo	TX	78040
WBAEV5103ZKN50686	9,000	Laredo	TX	78040
1FBAX2CM2JKB21715	25,000	Laredo	TX	78040
1FBAX2CM3HKA27952	25,000	Laredo	TX	78040
1FBAX2CM4JKB21716	34,524	Laredo	TX	78040
1FBAX2CM5HKA27953	25,000	Laredo	TX	78040
1FBAX2CM6JKB21717	34,524	Laredo	TX	78040
1FMJU1FT8LEA25165	38,676	Laredo	TX	78040

1FMSK7BH1LGB75945	20,900	Laredo	TX	78040
1FMSK7BH3LGB75946	20,900	Laredo	TX	78040
1FMSK7BH5LGC00720	28,230	Laredo	TX	78040
1FMSK7BH6LGB83832	28,150	Laredo	TX	78040
1FMSK7BHXLGB75944	20,900	Laredo	TX	78040
1FMZK1Y88LKA49999	30,404	Laredo	TX	78040
1FMZK1Y89LKA50000	30,404	Laredo	TX	78040
1FT7W2A60LEC47005	28,852	Laredo	TX	78040
1FT7W2A62LEC47006	25,000	Laredo	TX	78040
1FT7W2A64LEC47007	28,852	Laredo	TX	78040
1FT7W2A65LEC31754	21,418	Laredo	TX	78040
1FT7W2A65LEC47002	28,852	Laredo	TX	78040
1FT7W2A67LEC31755	21,418	Laredo	TX	78040
1FT7W2A67LEC47003	28,852	Laredo	TX	78040
1FT7W2A69LEC31756	21,418	Laredo	TX	78040
1FT7W2A69LEC47004	28,852	Laredo	TX	78040
1FT7W2AT2JEC26031	26,426	Laredo	TX	78040
1FT7W2AT4JEC26032	26,426	Laredo	TX	78040
1FT7W2AT6JEC26033	26,426	Laredo	TX	78040
1FT7W2AT7FEB54105	30,633	Laredo	TX	78040
1FT7W2AT7FEB55092	30,633	Laredo	TX	78040
1FT7W2AT9FEB54106	30,633	Laredo	TX	78040
1FT8W3CT1FEB54107	33,505	Laredo	TX	78040
1FT8W3CT1LEC47009	35,658	Laredo	TX	78040
1FT8W3CTXLEC47008	35,658	Laredo	TX	78040
1FTEW1CB1JKD95397	18,969	Laredo	TX	78040
1FTEW1CB1JKD95402	25,000	Laredo	TX	78040
1FTEW1CB1LKD51418	24,915	Laredo	TX	78040
1FTEW1CB2JKD95392	18,969	Laredo	TX	78040
1FTEW1CB3JKD95398	25,000	Laredo	TX	78040
1FTEW1CB3JKD95403	22,469	Laredo	TX	78040
1FTEW1CB3LKD51419	25,000	Laredo	TX	78040
1FTEW1CB4JKD95393	18,969	Laredo	TX	78040
1FTEW1CB4JKE95820	25,000	Laredo	TX	78040
1FTEW1CB4LKD51414	24,915	Laredo	TX	78040
1FTEW1CB5JKD95404	18,926	Laredo	TX	78040
1FTEW1CB6JKD95394	25,000	Laredo	TX	78040
1FTEW1CB6JKE95818	23,453	Laredo	TX	78040
1FTEW1CB6LKD51415	25,000	Laredo	TX	78040
1FTEW1CB8JKE95819	25,000	Laredo	TX	78040
1FTEW1CB8LKD51416	24,915	Laredo	TX	78040
1FTEW1CBXLKD51417	25,000	Laredo	TX	78040
1FTEW1CP0LKD51406	19,168	Laredo	TX	78040

1FTEW1CP1LKD51396	25,000	Laredo	TX	78040
1FTEW1CP1LKD51401	19,168	Laredo	TX	78040
1FTEW1CP2LKD51391	19,168	Laredo	TX	78040
1FTEW1CP2LKD51407	25,000	Laredo	TX	78040
1FTEW1CP2LKD51410	19,168	Laredo	TX	78040
1FTEW1CP3LKD51397	25,000	Laredo	TX	78040
1FTEW1CP3LKD51402	19,168	Laredo	TX	78040
1FTEW1CP4LKD51392	19,168	Laredo	TX	78040
1FTEW1CP4LKD51408	19,168	Laredo	TX	78040
1FTEW1CP4LKD51411	19,168	Laredo	TX	78040
1FTEW1CP5LKD51398	19,168	Laredo	TX	78040
1FTEW1CP5LKD51403	25,000	Laredo	TX	78040
1FTEW1CP5LKD51420	26,069	Laredo	TX	78040
1FTEW1CP6LKD51393	19,168	Laredo	TX	78040
1FTEW1CP6LKD51409	19,168	Laredo	TX	78040
1FTEW1CP6LKD51412	25,000	Laredo	TX	78040
1FTEW1CP7LKD51399	19,168	Laredo	TX	78040
1FTEW1CP7LKD51404	19,168	Laredo	TX	78040
1FTEW1CP7LKD51421	25,000	Laredo	TX	78040
1FTEW1CP8LKD51394	19,168	Laredo	TX	78040
1FTEW1CP8LKD51413	25,000	Laredo	TX	78040
1FTEW1CP9LKD51405	19,168	Laredo	TX	78040
1FTEW1CPXLKD51395	19,168	Laredo	TX	78040
1FTEW1CPXLKD51400	25,000	Laredo	TX	78040
1FTEW1EB1JKE95822	27,737	Laredo	TX	78040
1FTEW1EB3JKE95823	27,737	Laredo	TX	78040
1FTEW1EB5JKE95824	25,000	Laredo	TX	78040
1FTEW1EB7LKD51422	28,151	Laredo	TX	78040
1FTEW1EB9LKD51423	28,152	Laredo	TX	78040
1FTEW1EBXJKE95821	27,737	Laredo	TX	78040
1FTEW1EP6LKD51424	33,552	Laredo	TX	78040
1FTEW1P40LKD79092	34,054	Laredo	TX	78040
1FTEW1P40LKD79108	34,054	Laredo	TX	78040
1FTEW1P40LKD79111	34,054	Laredo	TX	78040
1FTEW1P41LKD79098	34,054	Laredo	TX	78040
1FTEW1P41LKD79103	34,054	Laredo	TX	78040
1FTEW1P42LKD79093	34,054	Laredo	TX	78040
1FTEW1P42LKD79109	34,054	Laredo	TX	78040
1FTEW1P42LKD79112	34,054	Laredo	TX	78040
1FTEW1P43LKD79099	34,054	Laredo	TX	78040
1FTEW1P43LKD79104	34,054	Laredo	TX	78040
1FTEW1P44LKD79094	34,054	Laredo	TX	78040
1FTEW1P44LKD79113	34,054	Laredo	TX	78040

1FTEW1P45LKD79105	34,054	Laredo	TX	78040
1FTEW1P46LKD79095	34,054	Laredo	TX	78040
1FTEW1P46LKD79100	34,054	Laredo	TX	78040
1FTEW1P47LKD79106	34,054	Laredo	TX	78040
1FTEW1P48LKD79096	34,054	Laredo	TX	78040
1FTEW1P48LKD79101	34,054	Laredo	TX	78040
1FTEW1P49LKD79107	34,054	Laredo	TX	78040
1FTEW1P49LKD79110	34,054	Laredo	TX	78040
1FTEW1P4XLKD79097	34,054	Laredo	TX	78040
1FTEW1P4XLKD79102	34,054	Laredo	TX	78040
1FTFW1CF1EKF93989	23,741	Laredo	TX	78040
1FTMF1C81GKE76912	25,000	Laredo	TX	78040
1FTMF1C83GKE76913	21,529	Laredo	TX	78040
1FTMF1C85GKE76914	25,000	Laredo	TX	78040
1FTMF1C88GKE76910	21,529	Laredo	TX	78040
1FTMF1C8XGKE76911	21,529	Laredo	TX	78040
1FTYE1Y81LKA25017	19,311	Laredo	TX	78040
1FTYE1Y82LKA31439	26,561	Laredo	TX	78040
1FTYE1Y83LKA25018	19,311	Laredo	TX	78040
1FTYE1YM4JKA69118	23,414	Laredo	TX	78040
1GAZGZFF0F1137003	28,176	Laredo	TX	78040
1GAZGZFF1F1137205	28,176	Laredo	TX	78040
1GAZGZFF1F1137222	28,176	Laredo	TX	78040
1GAZGZFF1F1137544	28,176	Laredo	TX	78040
1GAZGZFF4F1134945	28,176	Laredo	TX	78040
1GAZGZFF4F1135061	28,176	Laredo	TX	78040
1GAZGZFF6F1136924	28,176	Laredo	TX	78040
1GAZGZFF9F1137856	28,176	Laredo	TX	78040
1GNLCDEC0KR230352	32,870	Laredo	TX	78040
1GNLCDEC0KR230710	32,970	Laredo	TX	78040
1GNLCDEC0KR232067	32,970	Laredo	TX	78040
1GNLCDEC0KR232473	32,870	Laredo	TX	78040
1GNLCDEC0KR233087	32,870	Laredo	TX	78040
1GNLCDEC0LR224472	32,995	Laredo	TX	78040
1GNLCDEC0LR224505	32,995	Laredo	TX	78040
1GNLCDEC0LR261456	32,995	Laredo	TX	78040
1GNLCDEC1KR241442	32,970	Laredo	TX	78040
1GNLCDEC1KR241876	32,870	Laredo	TX	78040
1GNLCDEC1KR244597	32,970	Laredo	TX	78040
1GNLCDEC1LR261000	32,995	Laredo	TX	78040
1GNLCDEC2KR231471	32,970	Laredo	TX	78040
1GNLCDEC2KR232359	32,970	Laredo	TX	78040
1GNLCDEC2KR232572	32,970	Laredo	TX	78040

1GNLCDEC2KR240347	32,970	Laredo	TX	78040
1GNLCDEC2LR224232	32,995	Laredo	TX	78040
1GNLCDEC2LR224523	32,995	Laredo	TX	78040
1GNLCDEC2LR224618	32,995	Laredo	TX	78040
1GNLCDEC3KR231768	32,870	Laredo	TX	78040
1GNLCDEC3KR241913	32,970	Laredo	TX	78040
1GNLCDEC3KR242088	32,977	Laredo	TX	78040
1GNLCDEC3KR242947	32,970	Laredo	TX	78040
1GNLCDEC3LR261659	32,995	Laredo	TX	78040
1GNLCDEC4KR232511	32,970	Laredo	TX	78040
1GNLCDEC4KR239877	32,970	Laredo	TX	78040
1GNLCDEC4KR243265	32,970	Laredo	TX	78040
1GNLCDEC4LR261055	32,995	Laredo	TX	78040
1GNLCDEC5KR242478	32,970	Laredo	TX	78040
1GNLCDEC5KR244618	32,870	Laredo	TX	78040
1GNLCDEC5LR224547	32,995	Laredo	TX	78040
1GNLCDEC6KR230792	32,870	Laredo	TX	78040
1GNLCDEC6KR231036	32,970	Laredo	TX	78040
1GNLCDEC6KR239203	32,970	Laredo	TX	78040
1GNLCDEC6KR239704	32,970	Laredo	TX	78040
1GNLCDEC6KR240786	32,970	Laredo	TX	78040
1GNLCDEC6KR241887	32,970	Laredo	TX	78040
1GNLCDEC6KR242389	32,970	Laredo	TX	78040
1GNLCDEC6KR243753	32,970	Laredo	TX	78040
1GNLCDEC6KR245132	32,870	Laredo	TX	78040
1GNLCDEC7KR231210	32,870	Laredo	TX	78040
1GNLCDEC7KR231739	32,970	Laredo	TX	78040
1GNLCDEC7KR241042	32,970	Laredo	TX	78040
1GNLCDEC7KR244152	32,970	Laredo	TX	78040
1GNLCDEC8KR230695	32,970	Laredo	TX	78040
1GNLCDEC8KR236240	32,970	Laredo	TX	78040
1GNLCDEC8KR239669	32,970	Laredo	TX	78040
1GNLCDEC8KR240403	32,970	Laredo	TX	78040
1GNLCDEC8KR242460	32,870	Laredo	TX	78040
1GNLCDEC8KR244046	32,970	Laredo	TX	78040
1GNLCDEC9KR231256	32,970	Laredo	TX	78040
1GNLCDEC9KR240426	32,970	Laredo	TX	78040
1GNLCDEC9LR224521	32,995	Laredo	TX	78040
1GNLCDECXKR231718	32,970	Laredo	TX	78040
1GNLCDECXKR239849	32,970	Laredo	TX	78040
1GNLCDECXLR224236	32,995	Laredo	TX	78040
1GNLCDECXLR224625	32,995	Laredo	TX	78040
1GNLCDKC1LR250602	34,428	Laredo	TX	78040

1GNLCDKC1LR250728	34,428	Laredo	TX	78040
1GNLCDKC3LR247989	34,428	Laredo	TX	78040
1GNLCDKC4LR248164	34,428	Laredo	TX	78040
1GNLCDKC5LR247993	34,428	Laredo	TX	78040
1GNLCDKC5LR250716	34,428	Laredo	TX	78040
1GNCAK1LR215049	38,309	Laredo	TX	78040
1GNCAK5LR215054	38,316	Laredo	TX	78040
1GNCAK7LR210261	38,862	Laredo	TX	78040
1GNSKDEC0JR356207	37,648	Laredo	TX	78040
1GNSKDEC1JR353221	37,648	Laredo	TX	78040
1GNSKDEC3JR356931	37,648	Laredo	TX	78040
1GNSKDEC4JR352967	37,648	Laredo	TX	78040
1GNSKDEC4JR353360	37,648	Laredo	TX	78040
1GNSKDEC6JR351870	37,648	Laredo	TX	78040
1GNSKDEC6JR356406	37,648	Laredo	TX	78040
1GNSKDEC6JR356809	37,648	Laredo	TX	78040
1GNSKDEC7JR353627	37,648	Laredo	TX	78040
1GNSKDEC7JR355183	37,648	Laredo	TX	78040
1GNSKDEC7JR356673	37,648	Laredo	TX	78040
1GNSKDEC8JR351269	37,648	Laredo	TX	78040
1GNSKDEC8JR354379	37,648	Laredo	TX	78040
1GNSKDEC9JR351412	37,648	Laredo	TX	78040
1GNSKDEC9JR351586	37,648	Laredo	TX	78040
1GNSKDEC9JR351796	37,648	Laredo	TX	78040
1GNSKDEC9JR352737	37,648	Laredo	TX	78040
1GNSKDEC9JR355668	37,648	Laredo	TX	78040
2C4RDGBG4KR766238	22,473	Laredo	TX	78040
3FA6P0G70LR176386	25,000	Laredo	TX	78040
3FA6P0G72LR176387	25,000	Laredo	TX	78040
3FA6P0G74LR176388	25,000	Laredo	TX	78040
3FA6P0G79LR194370	18,423	Laredo	TX	78040
3FA6P0UU8HR235198	24,082	Laredo	TX	78040
3GCPWCEKXLG243095	28,171	Laredo	TX	78040
16VNX122711D38763	1,549	Laredo	TX	78040
1FAFP53U75A171613	14,690	Laredo	TX	78040
1FBSS31L12HA69186	22,736	Laredo	TX	78040
1FBSS31LX2HA69185	22,736	Laredo	TX	78040
1FBSS31S85HA31689	16,391	Laredo	TX	78040
1FBSS3BL3CDA16285	25,000	Laredo	TX	78040
1FDEE3F17DDA20704	70,000	Laredo	TX	78040
1FDEE3FL2DDA20707	70,000	Laredo	TX	78040
1FDEE3FL6DDA20709	70,000	Laredo	TX	78040
1FDEE3FS0CDA52464	61,600	Laredo	TX	78040

1FDEE3FS3CDA47162	61,600	Laredo	TX	78040
1FDEE3FS6HDC30143	85,385	Laredo	TX	78040
1FD4E4FS0CDA26862	61,600	Laredo	TX	78040
1FD4E4FS1JDC31278	26,000	Laredo	TX	78040
1FD4E4FS2JDC29961	87,714	Laredo	TX	78040
1FD4E4FS3GDC13258	69,073	Laredo	TX	78040
1FD4E4FS3JDC29922	87,714	Laredo	TX	78040
1FD4E4FSXJDC28024	26,000	Laredo	TX	78040
1FDWW36P03EB99407	26,000	Laredo	TX	78040
1FM5K7BH4GGB72055	25,000	Laredo	TX	78040
1FMHK7D80CGA93955	25,000	Laredo	TX	78040
1FMNU42F92EC24095	37,695	Laredo	TX	78040
1FMRE11681HA99883	21,370	Laredo	TX	78040
1FRYR10D17PA56595	11,035	Laredo	TX	78040
1FTBF2A64BEB41794	18,094	Laredo	TX	78040
1FTBF2A66BEB41795	18,094	Laredo	TX	78040
1FTEWIC86GFA12379	31,651	Laredo	TX	78040
1FTMF1C89GKF66213	25,000	Laredo	TX	78040
1FTMF1CM0EKE31650	18,994	Laredo	TX	78040
1FTRE14W2X2HB71868	16,548	Laredo	TX	78040
1FTRE14W86HA75956	14,121	Laredo	TX	78040
1FTRX17WX3NB63491	25,000	Laredo	TX	78040
1GB6G3AG5A1131010	45,000	Laredo	TX	78040
1GBE4V1998F414475	50,000	Laredo	TX	78040
1GBE5V1969F401939	89,424	Laredo	TX	78040
1GBE5V1969F402590	91,242	Laredo	TX	78040
1GBE5V1989F402039	91,242	Laredo	TX	78040
1GBJG31F421155334	2,400	Laredo	TX	78040
1GBJG31K991165946	45,000	Laredo	TX	78040
1GBJG31U531229733	42,162	Laredo	TX	78040
1GBJG31U661130844	44,421	Laredo	TX	78040
1GCCSBFE1C8157550	25,000	Laredo	TX	78040
1GDM7TIP2PJ517049	40,000	Laredo	TX	78040
1HVBRABL72B918177	53,951	Laredo	TX	78040
2FMZA50433BA53925	19,887	Laredo	TX	78040
3N63M0YN0FK719040	21,372	Laredo	TX	78040
3N6CMOKN3GK695763	18,900	Laredo	TX	78040
3N6CMOKNXGK698837	18,900	Laredo	TX	78040
4YMCL12135T019693	2,700	Laredo	TX	78040
5TDKK3DCXBS064927	25,000	Laredo	TX	78040
5TDZK3DC2ES502441	26,233	Laredo	TX	78040
5TDZK3DC7FS344835	27,306	Laredo	TX	78040
5TDZK3DC7FS650263	27,306	Laredo	TX	78040

5TDZZ3DC5HS817444	28,076	Laredo	TX	78040
5TDZZ3DC5HS853764	27,786	Laredo	TX	78040
5TDZZ3DCIHS854278	27,786	Laredo	TX	78040
5TDZZ3DCOHS817920	28,076	Laredo	TX	78040
5WEXWSKK1DH044665	77,000	Laredo	TX	78040
JMICR2W31A0369287	20,719	Laredo	TX	78040
KNDJNZA29F7133017	24,781	Laredo	TX	78040
NMOL56BN8DT150765	20,148	Laredo	TX	78040
TR184110	5,000	Laredo	TX	78040
69PAN150	5,000	Laredo	TX	78040
1GJFD1219S1027271	5,000	Laredo	TX	78040
17XFP122761060157	22,544	Laredo	TX	78040
5RVUT1625EMO24775	23,000	Laredo	TX	78040
5RVUT1625EM024776	23,000	Laredo	TX	78040

Lowest Rated Territory	Rated Primary Class Code	Rated Secondary Class Code	Liability Coverage	Med Pay Limit	Physical Damage	OTC Coverage Type
No	034	99	Yes	No Coverage	No	No Coverage
No	7909		Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7912		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	7912		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7912		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7912		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7912		Yes	No Coverage	No	No Coverage
No	7912		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7398		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	7912		Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage
No	034	99	Yes	No Coverage	No	No Coverage







































































Rental - Max Payment Any One Period	Towing and Labor	Gross Vehicle Weight	Liability Rate Group (numeric value)	Phys Dam Rate Group (alphabetical value)
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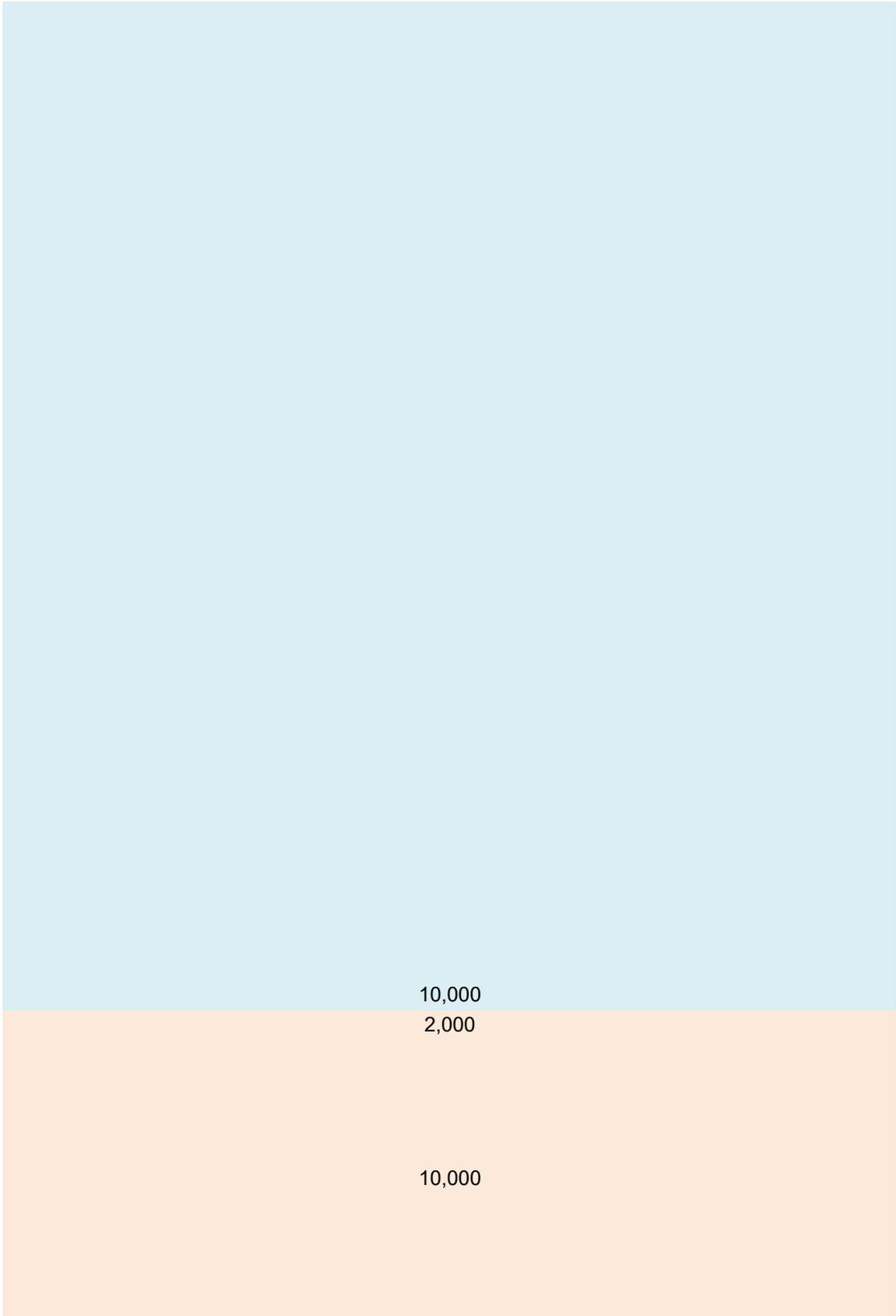
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<b>Territory Code</b>	<b>Registrant Name</b>	<b>Registrant Federal ID</b>
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Boolean Values	State Types		Vehicle Types	
Yes	ALASKA	AK	Miscellaneous	MISC
No	ALABAMA	AL	Public Auto	PA
	ARKANSAS	AR	Private Passenger Types	PPT
	ARIZONA	AZ	Trucks Types	TRUCK
	CALIFORNIA	CA	Zone Rated	ZRTD
	COLORADO	CO		
	CONNECTICUT	CT		
	DISTRICTOFCOLUMBIA	DC		
	DELAWARE	DE		
	FLORIDA	FL		
	GEORGIA	GA		
	GUAM	GU		
	HAWAII	HI		
	IOWA	IA		
	IDAHO	ID		
	ILLINOIS	IL		
	INDIANA	IN		
	KANSAS	KS		
	KENTUCKY	KY		
	LOUISIANA	LA		
	MASSACHUSETTS	MA		
	MARYLAND	MD		
	MAINE	ME		
	MICHIGAN	MI		
	MINNESOTA	MN		
	MISSOURI	MO		
	MISSISSIPPI	MS		
	MONTANA	MT		
	NORTHCAROLINA	NC		
	NORTHDAKOTA	ND		
	NEBRASKA	NE		
	NEWHAMPSHIRE	NH		
	NEWJERSEY	NJ		
	NEWMEXICO	NM		
	NEVADA	NV		
	NEWYORK	NY		
	OHIO	OH		
	OKLAHOMA	OK		
	OREGON	OR		
	PENNSYLVANIA	PA		
	PUERTORICO	PR		
	RHODEISLAND	RI		
	SOUTHCAROLINA	SC		
	SOUTHDAKOTA	SD		
	TENNESSEE	TN		
	TEXAS	TX		
	UTAH	UT		
	VIRGINIA	VA		
	VIRGINISLANDS	VI		
	VERMONT	VT		
	WASHINGTON	WA		

WISCONSIN	WI
WESTVIRGINIA	WV
WYOMING	WY





















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Med Pay Limit	Liability Limit	Muni States	OTC Coverage Type	OTC Deductible
No Coverage	75,000	AL - match LRT	ACV	Full Coverage
500	100,000	KY - match LRT	Stated Amount	50
1,000	125,000	SC - match LRT	No Coverage	100
2,000	150,000			250
5,000	200,000			500
10,000	250,000			1,000
15,000	300,000			2,000
20,000	350,000			3,000
25,000	400,000			5,000
30,000	500,000			10,000
35,000	600,000			15,000
40,000	750,000			20,000
45,000	1,000,000			25,000
50,000	1,500,000			50,000
	2,000,000			75,000
	2,500,000			100,000
	3,000,000			Not Applicable
	3,500,000			
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Collision Coverage Type	Collision Deductible	Towing and Labor	Action
ACV	50	No Coverage	No Change
Stated Amount	100	50	Change
No Coverage	250	100	Remove
	500	200	
	1,000		
	2,000		
	3,000		
	5,000		
	10,000		
	15,000		
	20,000		
	25,000		
	50,000		
	75,000		
	100,000		
	Not Applicable		

























Lowest Rated Territory
Yes
No

**PRIVATE PASSENGER LOWEST RATED TERRIT**

ST	PPT TERR	CITY	ZIP
AK	103	Akiak	99552
AL	124	Leesburg	35983
AR	111	Almyra	72003
AZ	125	Fredonia	86022
CA	172	Blythe	92225
CO	105	Alamosa	81101
CT	024	Baltic	06330
DC	001	Washington	20201
DE	103	Camden	19934
FL	159	Naples	34101
GA	115	Cohutta	30710
GU	001	Agana Heights	96919
HI	003	Haiku	96708
IA	123	Batavia	52533
ID	103	Ahsahka	83520
IL	124	Decatur	62521
IN	133	Greensburg	47240
KS	116	Anthony	67003
KY	112	Adairville	42202
LA	111	Abbeville	70510
MA	11	Athol	01331
MD	113	Barclay	21607
ME	109	Orient	04471
MI	126	Afton	49705
MN	114	Isabella	55607
MO	138	Lohman	65053
MS	115	Abbott	39773
MT	106	Absarokee	59001
NC	024	Aberdeen	28315
ND	102	Adams	58210
NE	110	Adams	68301
NH	128	Alexandria	03222
NJ	126	Andover	07821
NM	106	Abbott	87747
NV	111	Anderson Acres	89506
NY	044	Deposit	13754
OH	151	Albany	45710
OK	112	Altus	73521
OR	106	Adams	97810
PA	148	Cranberry	16319
PR	106	Rosario	00636
RI	106	Ashaway	02804
SC	172	Georgetown	29440
SD	106	Ada	57620
TN	126	Adams	37010
TX	065	Albany	76430
UT	103	Hinckley	84635

<b>VA</b>	116	Paris	20130
<b>VI</b>	001	St. Thomas	00801
<b>VT</b>	120	Peru	05152
<b>WA</b>	029	Cheney	99004
<b>WI</b>	106	Onalaska	54650
<b>WV</b>	118	Adrian	26210
<b>WY</b>	113	Acme	82839

**ORY**

COUNTY	MUNICIPALITY
Bethel	
Cherokee	Leesburg
Arkansas	
Coconino	
Riverside	
Alamosa	
New London	
District Of Columbia	
Kent	
Collier	
Whitfield	
Guam	
Maui	
Jefferson	
Clearwater	
Macon	001438
Decatur	
Harper	
Logan	Adairville
Vermilion	
Worcester	
Queen Annes	
Aroostook	
Cheboygan	
Lake	
Cole	
Clay	
Stillwater	
Moore	
Walsh	
Gage	
Grafton	
Sussex	
Colfax	
Washoe	
Broome	
Athens	
Jackson	
Umatilla	
Butler	
Puerto Rico	
Washington	
Georgetown	Georgetown
Perkins	
Robertson	
Shackelford	
Millard	

Fauquier	
Virgin Islands	
Bennington	
Spokane	
La Crosse	
Upshur	
Sheridan	

**TRUCK LOWEST RATED TERRITORY**

<b>ST</b>	<b>TRUCK TERR</b>	<b>CITY</b>	<b>ZIP</b>	<b>COUNTY</b>
AK	103	Akiak	99552	Bethel
AL	108	Autaugaville	36003	Autauga
AR	111	Almyra	72003	Arkansas
AZ	126	Chinle	86503	Apache
CA	120	Gasquet	95543	Del Norte
CO	105	Alamosa	81101	Alamosa
CT	024	Baltic	06330	New London
DC	001	Washington	20201	District Of Columbia
DE	103	Camden	19934	Kent
FL	171	Baker	32531	Okaloosa
GA	115	Cohutta	30710	Whitfield
GU	001	Agana Heights	96919	Guam
HI	004	Anahola	96703	Kauai
IA	123	Batavia	52533	Jefferson
ID	105	Acequia	83350	Minidoka
IL	134	Abingdon	61410	Knox
IN	137	Webster	47392	Wayne
KS	116	Anthony	67003	Harper
KY	112	Adairville	42202	Logan
LA	111	Abbeville	70510	Vermilion
MA	11	Athol	01331	Worcester
MD	113	Barclay	21607	Queen Annes
ME	109	Orient	04471	Aroostook
MI	128	Brighton	48114	Livingston
MN	115	Sanborn	56083	Redwood
MO	117	Puxico	63960	Stoddard
MS	114	Isola	38754	Humphreys
MT	106	Absarokee	59001	Stillwater
NC	019	Cherry Point	28533	Craven
ND	102	Adams	58210	Walsh
NE	105	Ainsworth	69210	Brown
NH	128	Alexandria	03222	Grafton
NJ	126	Andover	07821	Sussex
NM	106	Abbott	87747	Colfax
NV	106	Apache	89418	Pershing
NY	067	Boonville	13309	Oneida
OH	138	Amsterdam	43903	Jefferson
OK	112	Altus	73521	Jackson
OR	106	Adams	97810	Umatilla
PA	154	Abbott	16922	Potter
PR	103	Ponce	00716	Puerto Rico
RI	106	Ashaway	02804	Washington
SC	161	Gaffney	29340	Cherokee
SD	106	Ada	57620	Perkins
TN	121	Bybee	37713	Cocke
TX	062	Borger	79007	Hutchinson
UT	103	Hinckley	84635	Millard

<b>VA</b>	117	Evergreen	23939	Appomattox
<b>VI</b>	001	St. Thomas	00801	Virgin Islands
<b>VT</b>	123	Newport	05855	Orleans
<b>WA</b>	029	Cheney	99004	Spokane
<b>WI</b>	109	Amberg	54102	Marinette
<b>WV</b>	119	Amma	25005	Roane
<b>WY</b>	113	Acme	82839	Sheridan





**PUBLIC AUTO LOWEST RATED TERRITORY**

<b>ST</b>	<b>PA TERR</b>	<b>CITY</b>	<b>ZIP</b>
AK	103	Akiak	99552
AL	108	Autaugaville	36003
AR	111	Almyra	72003
AZ	126	Chinle	86503
CA	120	Gasquet	95543
CO	105	Alamosa	81101
CT	024	Baltic	06330
DC	001	Washington	20201
DE	103	Camden	19934
FL	171	Baker	32531
GA	115	Cohutta	30710
GU	001	Agana Heights	96919
HI	004	Anahola	96703
IA	123	Batavia	52533
ID	105	Acequia	83350
IL	134	Abingdon	61410
IN	137	Webster	47392
KS	116	Anthony	67003
KY	112	Adairville	42202
LA	111	Abbeville	70510
MA	11	Athol	01331
MD	113	Barclay	21607
ME	109	Orient	04471
MI	128	Brighton	48114
MN	115	Sanborn	56083
MO	117	Puxico	63960
MS	114	Isola	38754
MT	106	Absarokee	59001
NC	019	Cherry Point	28533
ND	102	Adams	58210
NE	105	Ainsworth	69210
NH	128	Alexandria	03222
NJ	126	Andover	07821
NM	106	Abbott	87747
NV	106	Apache	89418
NY	074	Adams	13605
OH	138	Amsterdam	43903
OK	112	Altus	73521
OR	106	Adams	97810
PA	154	Abbott	16922
PR	103	Ponce	00716
RI	106	Ashaway	02804
SC	161	Gaffney	29340
SD	106	Ada	57620
TN	121	Bybee	37713
TX	062	Borger	79007
UT	103	Hinckley	84635

<b>VA</b>	117	Evergreen	23939
<b>VI</b>	001	St. Thomas	00801
<b>VT</b>	123	Newport	05855
<b>WA</b>	029	Cheney	99004
<b>WI</b>	109	Amberg	54102
<b>WV</b>	119	Amma	25005
<b>WY</b>	113	Acme	82839



COUNTY	MUNICIPALITY
Bethel	
Autauga	Autaugaville
Arkansas	
Apache	
Del Norte	
Alamosa	
New London	
District Of Columbia	
Kent	
Okaloosa	
Whitfield	
Guam	
Kauai	
Jefferson	
Minidoka	
Knox	<b>005000</b>
Wayne	
Harper	
Logan	Adairville
Vermilion	
Worcester	
Queen Annes	
Aroostook	
Livingston	
Redwood	
Stoddard	
Humphreys	
Stillwater	
Craven	
Walsh	
Brown	
Grafton	
Sussex	
Colfax	
Pershing	
Jefferson	
Jefferson	
Jackson	
Umatilla	
Potter	
Puerto Rico	
Washington	
Cherokee	Gaffney
Perkins	
Cocke	
Hutchinson	
Millard	

Appomattox	
Virgin Islands	
Orleans	
Spokane	
Marinette	
Roane	
Sheridan	

Rated Primary Class Code	Cost New	Gross Vehicle Weight
011	25000	10000
014	25000	10000
021	25000	10000
024	25000	10000
031	25000	10000
034	25000	10000
211	26000	20000
214	26000	20000
221	26000	20000
224	26000	20000
231	26000	20000
234	26000	20000
311	30000	45000
314	30000	45000
321	30000	45000
324	30000	45000
331	30000	45000
334	30000	45000
401	40000	46000
404	40000	46000
341	60000	45000
344	60000	45000
351	60000	45000
354	60000	45000
361	60000	45000
364	60000	45000
501	72000	46000
504	72000	46000
671	10000	
674	10000	
681	7000	
684	7000	
691	5000	
694	5000	
012	25000	10000
015	25000	10000
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025	25000	10000
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235	26000	20000
312	30000	45000
315	30000	45000
322	30000	45000
325	30000	45000
332	30000	45000
335	30000	45000
402	40000	46000

405	40000	46000
342	60000	45000
345	60000	45000
352	60000	45000
355	60000	45000
362	60000	45000
365	60000	45000
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675	10000	
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695	5000	
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343	60000	45000
346	60000	45000
353	60000	45000
356	60000	45000
363	60000	45000
366	60000	45000
503	72000	46000
506	72000	46000
673	10000	
676	10000	
683	7000	
686	7000	
693	5000	
696	5000	

Rated Primary Class Code	Cost New	Gross Vehicle Weight
0	25000	

ST	ZIP	CITY	COMM	TERR	ST	ZIP
CT	06230	ABINGTON	024		HI	96701
CT	06231	AMSTON	024		HI	96703
CT	06232	ANDOVER	024		HI	96861
CT	06278	ASHFORD	024		HI	96704
CT	06233	BALLOUVILLE	024		HI	96705
CT	06750	BANTAM	024		HI	96706
CT	06063	BARKHAMSTED	024		HI	96858
CT	10506	BEDFORD	017		HI	96708
CT	06524	BETHANY	021		HI	96710
CT	06751	BETHLEHEM	024		HI	96712
CT	06043	BOLTON	024		HI	96713
CT	06404	BOTSFORD	017		HI	96714
CT	06334	BOZRAH	024		HI	96715
CT	06405	BRANFORD	021		HI	96716
CT	10509	BREWSTER	017		HI	96717
CT	06752	BRIDGEWATER	024		HI	96718
CT	06018	CANAAN	024		HI	96719
CT	06331	CANTERBURY	024		HI	96720
CT	06020	CANTON CENTER	020		HI	96721
CT	06409	CENTERBROOK	024		HI	96725
CT	06235	CHAPLIN	024		HI	96726
CT	06414	COBALT	024		HI	96727
CT	06021	COLEBROOK	024		HI	96801
CT	06237	COLUMBIA	024		HI	96802
CT	06754	CORNWALL BRIDGE	024		HI	96803
CT	06807	COS COB	030		HI	96804
CT	06241	DAYVILLE	024		HI	96805
CT	06418	DERBY	021		HI	96806
CT	06023	EAST BERLIN	020		HI	96807
CT	06024	EAST CANAAN	024		HI	96808
CT	06025	EAST GLASTONBURY	020		HI	96809
CT	06027	EAST HARTLAND	020		HI	96810
CT	06243	EAST KILLINGLY	024		HI	96811
CT	06028	EAST WINDSOR HILL	020		HI	96812
CT	06244	EAST WOODSTOCK	024		HI	96813
CT	06242	EASTFORD	024		HI	96814
CT	06245	FABYAN	024		HI	96815
CT	06031	FALLS VILLAGE	024		HI	96816
CT	06335	GALES FERRY	024		HI	96817
CT	06755	GAYLORDSVILLE	024		HI	96818
CT	06829	GEORGETOWN	017		HI	96819
CT	06336	GILMAN	024		HI	96820
CT	06756	GOSHEN	024		HI	96821
CT	06838	GREENS FARMS	028		HI	96822
CT	06246	GROSVENOR DALE	024		HI	96823
CT	06439	HADLYME	024		HI	96824
CT	06247	HAMPTON	024		HI	96825
CT	06350	HANOVER	024		HI	96826
CT	06791	HARWINTON	024		HI	96828
CT	06440	HAWLEYVILLE	017		HI	96830
CT	06248	HEBRON	024		HI	96836
CT	06441	HIGGANUM	024		HI	96837
CT	06442	IVORYTON	024		HI	96838
CT	06419	KILLINGWORTH	024		HI	96839

CT 06758 LAKESIDE	024	HI 96840
CT 06039 LAKEVILLE	024	HI 96841
CT 06250 MANSFIELD CENTER	024	HI 96843
CT 06251 MANSFIELD DEPOT	024	HI 96844
CT 06444 MARION	020	HI 96846
CT 06338 MASHANTUCKET	024	HI 96847
CT 06456 MIDDLE HADDAM	024	HI 96848
CT 06467 MILLDALE	020	HI 96849
CT 06763 MORRIS	024	HI 96850
CT 06812 NEW FAIRFIELD	017	HI 96728
CT 06777 NEW PRESTON MARBLE DALE	024	HI 96729
CT 06470 NEWTOWN	017	HI 96853
CT 06059 NORTH CANTON	020	HI 96860
CT 06254 NORTH FRANKLIN	024	HI 96730
CT 06060 NORTH GRANBY	020	HI 96731
CT 06474 NORTH WESTCHESTER	024	HI 96732
CT 06256 NORTH WINDHAM	024	HI 96733
CT 06778 NORTHFIELD	024	HI 96734
CT 06472 NORTHFORD	021	HI 96740
CT 06370 OAKDALE	024	HI 96745
CT 06870 OLD GREENWICH	030	HI 96741
CT 06372 OLD MYSTIC	024	HI 96742
CT 06373 ONECO	024	HI 96743
CT 06781 PEQUABUCK	024	HI 96744
CT 06061 PINE MEADOW	024	HI 96746
CT 06259 POMFRET CENTER	024	HI 96755
CT 06064 POQUONOCK	019	HI 96707
CT 06262 QUINEBAUG	024	HI 96709
CT 06875 REDDING CENTER	017	HI 96747
CT 06876 REDDING RIDGE	017	HI 96748
CT 06878 RIVERSIDE	030	HI 96749
CT 06065 RIVERTON	024	HI 96750
CT 06481 ROCKFALL	024	HI 96751
CT 06263 ROGERS	024	HI 96739
CT 06783 ROXBURY	024	HI 96752
CT 06420 SALEM	024	HI 96753
CT 06068 SALISBURY	024	HI 96754
CT 06482 SANDY HOOK	017	HI 96756
CT 06264 SCOTLAND	024	HI 96757
CT 06487 SOUTH BRITAIN	018	HI 96790
CT 06785 SOUTH KENT	024	HI 96759
CT 06376 SOUTH LYME	024	HI 96760
CT 10590 SOUTH SALEM	017	HI 96761
CT 06265 SOUTH WILLINGTON	024	HI 96767
CT 06266 SOUTH WINDHAM	024	HI 96762
CT 06267 SOUTH WOODSTOCK	024	HI 96763
CT 06890 SOUTHPORT	026	HI 96764
CT 06077 STAFFORDVILLE	024	HI 96765
CT 06491 STEVENSON	017	HI 96766
CT 06268 STORRS MANSFIELD	024	HI 96768
CT 06269 STORRS MANSFIELD	024	HI 96769
CT 06079 TACONIC	024	HI 96770
CT 06380 TAFTVILLE	024	HI 96863
CT 06081 TARIFFVILLE	020	HI 96789
CT 06382 UNCASVILLE	024	HI 96771

CT 06066	VERNON ROCKVILLE	024	HI 96772
CT 06383	VERSAILLES	024	HI 96773
CT 06384	VOLUNTOWN	024	HI 96737
CT 06794	WASHINGTON DEPOT	024	HI 96774
CT 06387	WAUREGAN	024	HI 96776
CT 06089	WEATOGUE	020	HI 96777
CT 06796	WEST CORNWALL	024	HI 96778
CT 06090	WEST GRANBY	020	HI 96779
CT 06091	WEST HARTLAND	020	HI 96780
CT 06092	WEST SIMSBURY	020	HI 96781
CT 06093	WEST SUFFIELD	020	HI 96782
CT 06279	WILLINGTON	024	HI 96783
CT 06094	WINCHESTER CENTER	024	HI 96722
CT 06282	WOODSTOCK VALLEY	024	HI 96788
CT 06389	YANTIC	023	HI 96784
			HI 96857
			HI 96859
			HI 96785
			HI 96786
			HI 96791
			HI 96792
			HI 96738
			HI 96793
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			HI 96797
			HI 96898
			HI 96854









































HONOLULU	001	MA 01434	DEVENS
HONOLULU	001	MA 02124	DORCHESTER CENTER
HONOLULU	001	MA 01343	DRURY
HONOLULU	001	MA 02128	EAST BOSTON
HONOLULU	001	MA 02333	EAST BRIDGEWATER
HONOLULU	001	MA 01515	EAST BROOKFIELD
HONOLULU	001	MA 02641	EAST DENNIS
HONOLULU	001	MA 02536	EAST FALMOUTH
HONOLULU	001	MA 02717	EAST FREETOWN
HONOMU	005	MA 01028	EAST LONGMEADOW
HOOLEHUA	003	MA 02643	EAST ORLEANS
JBPHH	001	MA 01029	EAST OTIS
JBPHH	001	MA 02537	EAST SANDWICH
KAAAWA	001	MA 02718	EAST TAUNTON
KAHUKU	001	MA 01438	EAST TEMPLETON
KAHULUI	003	MA 02032	EAST WALPOLE
KAHULUI	003	MA 02538	EAST WAREHAM
KAILUA	001	MA 02189	EAST WEYMOUTH
KAILUA KONA	005	MA 02337	ELMWOOD
KAILUA KONA	005	MA 01745	FAYVILLE
KALAHEO	004	MA 01030	FEEDING HILLS
KALAUAPAPA	003	MA 01518	FISKDALE
KAMUELA	005	MA 01062	FLORENCE
KANEOHE	001	MA 02644	FORESTDALE
KAPAA	004	MA 02035	FOXBORO
KAPAAU	005	MA 01031	GILBERTVILLE
KAPOLEI	001	MA 01229	GLENDALE
KAPOLEI	001	MA 02041	GREEN HARBOR
KAUMAKANI	004	MA 02040	GREENBUSH
KAUNAKAKAI	003	MA 01731	HANSCOM AFB
KEAAU	005	MA 02646	HARWICH PORT
KEALAKEKUA	005	MA 01937	HATHORNE
KEALIA	004	MA 01039	HAYDENVILLE
KEAUHOU	005	MA 01236	HOUSATONIC
KEKAHA	004	MA 02047	HUMAROCK
KIHEI	003	MA 02601	HYANNIS
KILAUEA	004	MA 02647	HYANNIS PORT
KOLOA	004	MA 01151	INDIAN ORCHARD
KUALAPUU	003	MA 01522	JEFFERSON
KULA	003	MA 01347	LAKE PLEASANT
KUNIA	001	MA 01053	LEEDS
KURTISTOWN	005	MA 01242	LENOX DALE
LAHAINA	003	MA 01525	LINWOOD
LAHAINA	003	MA 01526	MANCHAUG
LAIE	001	MA 02345	MANOMET
LANAI CITY	003	MA 02051	MARSHFIELD HILLS
LAUPAHOEHOE	005	MA 02648	MARSTONS MILLS
LAWAI	004	MA 02126	MATTAPAN
LIHUE	004	MA 02552	MENEMSHA
MAKAWAO	003	MA 02344	MIDDLEBORO
MAKAWELI	004	MA 02346	MIDDLEBORO
MAUNALOA	003	MA 02349	MIDDLEBORO
MCBH KANEOHE BAY	001	MA 01244	MILL RIVER
MILILANI	001	MA 01349	MILLERS FALLS
MOUNTAIN VIEW	005	MA 02187	MILTON VILLAGE

NAALEHU	005	MA 02055	MINOT
NINOLE	005	MA 02350	MONPONSETT
OCEAN VIEW	005	MA 01350	MONROE BRIDGE
OOKALA	005	MA 02553	MONUMENT BEACH
PAAUILO	005	MA 02494	NEEDHAM HEIGHTS
PAHALA	005	MA 12125	NEW LEBANON
PAHOA	005	MA 02456	NEW TOWN
PAIA	003	MA 02459	NEWTON CENTER
PAPAALOA	005	MA 02461	NEWTON HIGHLANDS
PAPAIKOU	005	MA 02462	NEWTON LOWER FALLS
PEARL CITY	001	MA 02464	NEWTON UPPER FALLS
PEPEEKEO	005	MA 02460	NEWTONVILLE
PRINCEVILLE	004	MA 02495	NONANTUM
PUKALANI	003	MA 01247	NORTH ADAMS
PUUNENE	003	MA 01059	NORTH AMHERST
SCHOFIELD BARRACKS	001	MA 01845	NORTH ANDOVER
TRIPLER ARMY MEDICAL CENTER	001	MA 02760	NORTH ATTLEBORO
VOLCANO	005	MA 02761	NORTH ATTLEBORO
WAHIAWA	001	MA 01862	NORTH BILLERICA
WAIALUA	001	MA 01535	NORTH BROOKFIELD
WAIANAE	001	MA 02355	NORTH CARVER
WAIKOLOA	005	MA 02650	NORTH CHATHAM
WAILUKU	003	MA 01863	NORTH CHELMSFORD
WAIMANALO	001	MA 02747	NORTH DARTMOUTH
WAIMEA	004	MA 02764	NORTH DIGHTON
WAIPAHU	001	MA 02651	NORTH EASTHAM
WAKE ISLAND	001	MA 02356	NORTH EASTON
WHEELER ARMY AIRFIELD	001	MA 02357	NORTH EASTON
		MA 01252	NORTH EGREMONT
		MA 02556	NORTH FALMOUTH
		MA 01536	NORTH GRAFTON
		MA 01066	NORTH HATFIELD
		MA 02059	NORTH MARSHFIELD
		MA 01537	NORTH OXFORD
		MA 02358	NORTH PEMBROKE
		MA 01864	NORTH READING
		MA 01889	NORTH READING
		MA 02060	NORTH SCITUATE
		MA 02652	NORTH TRURO
		MA 01538	NORTH UXBRIDGE
		MA 02455	NORTH WALTHAM
		MA 02191	NORTH WEYMOUTH
		MA 01865	NUTTING LAKE
		MA 02065	OCEAN BLUFF
		MA 02558	ONSET
		MA 02655	OSTERVILLE
		MA 01866	PINEHURST
		MA 02559	POCASSET
		MA 01965	PRIDES CROSSING
		MA 02768	RAYNHAM CENTER
		MA 02137	READVILLE
		MA 01542	ROCHDALE
		MA 02120	ROXBURY CROSSING
		MA 02561	SAGAMORE
		MA 02562	SAGAMORE BEACH

MA 01370 SHELBURNE FALLS  
MA 02070 SHELDONVILLE  
MA 02564 SIASCONSET  
MA 01074 SOUTH BARRE  
MA 02366 SOUTH CARVER  
MA 02659 SOUTH CHATHAM  
MA 02748 SOUTH DARTMOUTH  
MA 01373 SOUTH DEERFIELD  
MA 02660 SOUTH DENNIS  
MA 02375 SOUTH EASTON  
MA 01258 SOUTH EGREMONT  
MA 01560 SOUTH GRAFTON  
MA 01982 SOUTH HAMILTON  
MA 02661 SOUTH HARWICH  
MA 01561 SOUTH LANCASTER  
MA 01260 SOUTH LEE  
MA 02662 SOUTH ORLEANS  
MA 02071 SOUTH WALPOLE  
MA 02663 SOUTH WELLFLEET  
MA 02190 SOUTH WEYMOUTH  
MA 02664 SOUTH YARMOUTH  
MA 01259 SOUTHFIELD  
MA 12168 STEPHENTOWN  
MA 01467 STILL RIVER  
MA 01079 THORNDIKE  
MA 01080 THREE RIVERS  
MA 01376 TURNERS FALLS  
MA 01879 TYNGSBORO  
MA 02568 VINEYARD HAVEN  
MA 02468 WABAN  
MA 02479 WAVERLEY  
MA 02481 WELLESLEY HILLS  
MA 01380 WENDELL DEPOT  
MA 02668 WEST BARNSTABLE  
MA 01885 WEST BOXFORD  
MA 02669 WEST CHATHAM  
MA 01084 WEST CHESTERFIELD  
MA 02670 WEST DENNIS  
MA 02574 WEST FALMOUTH  
MA 01472 WEST GROTON  
MA 02671 WEST HARWICH  
MA 01088 WEST HATFIELD  
MA 02672 WEST HYANNISPORT  
MA 02156 WEST MEDFORD  
MA 01586 WEST MILLBURY  
MA 02465 WEST NEWTON  
MA 01474 WEST TOWNSEND  
MA 02576 WEST WAREHAM  
MA 01092 WEST WARREN  
MA 02673 WEST YARMOUTH  
MA 02791 WESTPORT POINT  
MA 01094 WHEELWRIGHT  
MA 02381 WHITE HORSE BEACH  
MA 01588 WHITINSVILLE  
MA 02543 WOODS HOLE

MA 01784 WOODVILLE  
MA 01097 WORONOCO  
MA 02675 YARMOUTH PORT



































COMM_TERR	ST	ZIP	CITY	COMM_TERR	ST	ZIP
16	NC	27006	ADVANCE	024	NY	12405
8	NC	28001	ALBEMARLE	024	NY	14410
17	NC	28002	ALBEMARLE	024	NY	12808
13	NC	28508	ALBERTSON	023	NY	13730
12	NC	28509	ALLIANCE	023	NY	11507
11	NC	28702	ALMOND	024	NY	12007
18	NC	28007	ANSONVILLE	024	NY	13301
15	NC	28510	ARAPAHOE	023	NY	14005
11	NC	27007	ARARAT	024	NY	14803
11	NC	28420	ASH	023	NY	14707
11	NC	28421	ATKINSON	023	NY	14708
7	NC	28511	ATLANTIC	023	NY	14804
7	NC	28512	ATLANTIC BEACH	023	NY	14805
7	NC	27806	AURORA	023	NY	13302
7	NC	28318	AUTRYVILLE	023	NY	14413
20	NC	27915	AVON	023	NY	12910
7	NC	27916	AYDLETT	023	NY	10501
7	NC	27503	BAHAMA	022	NY	12501
7	NC	28707	BALSAM	024	NY	11701
7	NC	28708	BALSAM GROVE	024	NY	12502
20	NC	28604	BANNER ELK	024	NY	12503
7	NC	27917	BARCO	023	NY	13731
20	NC	28010	BARIUM SPRINGS	024	NY	14709
7	NC	28319	BARNESVILLE	023	NY	12504
8	NC	28710	BAT CAVE	024	NY	13732
20	NC	27808	BATH	023	NY	13020
7	NC	27809	BATTLEBORO	021	NY	11931
7	NC	27207	BEAR CREEK	024	NY	10503
20	NC	27009	BELEWS CREEK	024	NY	12809
20	NC	27811	BELLARTHUR	023	NY	12406
20	NC	27919	BELVIDERE	023	NY	11692
7	NC	27208	BENNETT	024	NY	12407
7	NC	27010	BETHANIA	018	NY	14710
20	NC	28518	BEULAVILLE	023	NY	12810
7	NC	27813	BLACK CREEK	023	NY	14010
16	NC	28320	BLADENBORO	023	NY	14808
20	NC	27212	BLANCH	024	NY	11509
14	NC	27814	BLOUNTS CREEK	023	NY	12912
12	NC	28605	BLOWING ROCK	024	NY	13026
12	NC	28422	BOLIVIA	023	NY	12017
13	NC	28423	BOLTON	023	NY	13303
12	NC	27213	BONLEE	024	NY	12811
11	NC	28606	BOOMER	024	NY	10505
11	NC	27011	BOONVILLE	024	NY	12019
10	NC	28018	BOSTIC	024	NY	13304
12	NC	28902	BRASSTOWN	024	NY	12507
12	NC	28519	BRIDGETON	023	NY	12719
15	NC	27505	BROADWAY	024	NY	13734
14	NC	27214	BROWNS SUMMIT	022	NY	14013
20	NC	28424	BRUNSWICK	023	NY	11705
11	NC	27506	BUIES CREEK	023	NY	10911
11	NC	27507	BULLOCK	023	NY	12409
11	NC	27508	BUNN	023	NY	14812
11	NC	28323	BUNNLEVEL	023	NY	13305

12	NC 27509	BUTNER	024	NY 10507
5	NC 27920	BUXTON	023	NY 14711
12	NC 27228	BYNUM	024	NY 11426
10	NC 28467	CALABASH	023	NY 13611
15	NC 28325	CALYPSO	023	NY 14415
13	NC 28326	CAMERON	023	NY 10912
11	NC 27229	CANDOR	024	NY 14712
11	NC 28020	CASAR	024	NY 14416
12	NC 28717	CASHIERS	024	NY 13736
15	NC 28429	CASTLE HAYNE	017	NY 12022
11	NC 28609	CATAWBA	024	NY 12023
13	NC 27231	CEDAR GROVE	024	NY 13028
11	NC 28520	CEDAR ISLAND	023	NY 12720
16	NC 28718	CEDAR MOUNTAIN	024	NY 11714
11	NC 28430	CERRO GORDO	023	NY 13737
14	NC 28719	CHEROKEE	024	NY 12410
14	NC 29709	CHESTERFIELD	024	NY 12510
17	NC 28720	CHIMNEY ROCK	024	NY 14714
15	NC 28521	CHINQUAPIN	023	NY 10913
15	NC 27817	CHOCOWINITY	023	NY 14024
12	NC 28610	CLAREMONT	024	NY 14469
13	NC 28432	CLARENDON	023	NY 12721
13	NC 28433	CLARKTON	023	NY 12913
11	NC 27012	CLEMMONS	024	NY 12411
15	NC 27233	CLIMAX	022	NY 13739
15	NC 28721	CLYDE	024	NY 13308
15	NC 27922	COFIELD	023	NY 12812
16	NC 27923	COINJOCK	023	NY 11715
17	NC 27924	COLERAIN	023	NY 11716
16	NC 27235	COLFAX	022	NY 12412
11	NC 28611	COLLETTSVILLE	024	NY 12814
16	NC 28522	COMFORT	023	NY 12914
12	NC 27818	COMO	023	NY 13310
12	NC 27819	CONETOE	023	NY 13740
17	NC 28612	CONNELLY SPRINGS	024	NY 14026
11	NC 27820	CONWAY	023	NY 14815
11	NC 27926	CORAPEAKE	023	NY 12024
19	NC 28330	CORDOVA	024	NY 12915
13	NC 27927	COROLLA	023	NY 14418
13	NC 28434	COUNCIL	023	NY 14027
13	NC 28523	COVE CITY	023	NY 12815
14	NC 27522	CREEDMOOR	024	NY 13312
12	NC 28615	CRESTON	024	NY 13613
15	NC 27928	CRESWELL	023	NY 11697
14	NC 28616	CROSSNORE	024	NY 13030
16	NC 28033	CROUSE	024	NY 13313
11	NC 28617	CRUMPLER	024	NY 13614
5	NC 28903	CULBERSON	024	NY 11718
15	NC 28723	CULLOWHEE	024	NY 14716
12	NC 27237	CUMNOCK	024	NY 13314
12	NC 28435	CURRIE	023	NY 11719
14	NC 28724	DANA	024	NY 14817
14	NC 28524	DAVIS	023	NY 12916
14	NC 28618	DEEP GAP	024	NY 10915
17	NC 28525	DEEP RUN	023	NY 14818

17	NC 28436 DELCO	023	NY 12917
14	NC 28037 DENVER	024	NY 12722
15	NC 28725 DILLSBORO	024	NY 13315
12	NC 28526 DOVER	023	NY 12027
17	NC 28619 DREXEL	024	NY 14028
11	NC 28332 DUBLIN	023	NY 12028
18	NC 28333 DUDLEY	023	NY 14422
18	NC 27242 EAGLE SPRINGS	024	NY 12918
18	NC 28038 EARL	024	NY 12724
18	NC 27018 EAST BEND	024	NY 11933
18	NC 28726 EAST FLAT ROCK	024	NY 11411
18	NC 27288 EDEN	024	NY 14820
18	NC 27289 EDEN	024	NY 12029
11	NC 28727 EDNEYVILLE	024	NY 14822
12	NC 27821 EDWARD	023	NY 13743
14	NC 27243 EFLAND	024	NY 14717
11	NC 28622 ELK PARK	024	NY 13618
11	NC 28040 ELLENBORO	024	NY 11514
15	NC 28338 ELLERBE	024	NY 12031
12	NC 27244 ELON	022	NY 12032
16	NC 28594 EMERALD ISLE	023	NY 14718
11	NC 27824 ENGELHARD	023	NY 13318
13	NC 28623 ENNICE	024	NY 13744
12	NC 28527 ERNUL	023	NY 12511
15	NC 27247 ETHER	024	NY 12033
12	NC 28729 ETOWAH	024	NY 13620
16	NC 27935 EURE	023	NY 14824
16	NC 27825 EVERETTS	023	NY 14029
13	NC 28438 EVERGREEN	023	NY 12035
11	NC 27826 FAIRFIELD	023	NY 11722
13	NC 28730 FAIRVIEW	022	NY 13036
14	NC 28341 FAISON	023	NY 14721
16	NC 28342 FALCON	023	NY 13319
12	NC 27827 FALKLAND	023	NY 14030
14	NC 28042 FALLSTON	024	NY 12036
15	NC 28624 FERGUSON	024	NY 13621
15	NC 28731 FLAT ROCK	024	NY 13622
17	NC 28626 FLEETWOOD	024	NY 14722
13	NC 28732 FLETCHER	024	NY 12921
12	NC 28733 FONTANA DAM	024	NY 12512
17	NC 27524 FOUR OAKS	023	NY 14825
17	NC 27936 FRISCO	023	NY 13746
15	NC 27526 FUQUAY VARINA	021	NY 14723
16	NC 28441 GARLAND	023	NY 12040
14	NC 27831 GARYSBURG	023	NY 13320
11	NC 27937 GATES	023	NY 12817
15	NC 27019 GERMANTON	022	NY 12416
12	NC 28735 GERTON	024	NY 12922
16	NC 28343 GIBSON	023	NY 13623
15	NC 28627 GLADE VALLEY	024	NY 12923
4	NC 28628 GLEN ALPINE	024	NY 13039
14	NC 28629 GLENDALE SPRINGS	024	NY 13040
6	NC 28736 GLENVILLE	024	NY 10919
12	NC 28737 GLENWOOD	024	NY 14429
12	NC 28528 GLOUCESTER	023	NY 14430

16	NC 28344	GODWIN	023	NY 12725
13	NC 28071	GOLD HILL	024	NY 12513
11	NC 27252	GOLDSTON	024	NY 13322
12	NC 27939	GRANDY	023	NY 12819
16	NC 28529	GRANTSBORO	023	NY 13042
11	NC 28631	GRASSY CREEK	024	NY 12820
12	NC 28740	GREEN MOUNTAIN	024	NY 12065
12	NC 28073	GROVER	024	NY 12042
11	NC 27256	GULF	024	NY 13043
15	NC 28442	HALLSBORO	023	NY 14724
13	NC 27840	HAMILTON	023	NY 12726
13	NC 28443	HAMPSTEAD	023	NY 12727
13	NC 27020	HAMPTONVILLE	024	NY 12045
11	NC 27941	HARBINGER	023	NY 12046
13	NC 28634	HARMONY	024	NY 14826
11	NC 28444	HARRELLS	023	NY 13324
11	NC 27942	HARRELLSVILLE	023	NY 14033
14	NC 28074	HARRIS	024	NY 13747
13	NC 27841	HASSELL	023	NY 14034
17	NC 27943	HATTERAS	023	NY 14035
11	NC 28532	HAVELOCK	023	NY 13625
14	NC 28635	HAYS	024	NY 12050
13	NC 27842	HENRICO	023	NY 12821
12	NC 28076	HENRIETTA	024	NY 14435
11	NC 30546	HIAWASSEE	024	NY 14726
11	NC 28636	HIDDENITE	024	NY 10920
13	NC 27259	HIGHFALLS	024	NY 12417
15	NC 28741	HIGHLANDS	024	NY 12926
13	NC 28637	HILDEBRAN	024	NY 13325
18	NC 27278	HILLSBOROUGH	024	NY 13044
17	NC 27946	HOBBSVILLE	023	NY 14827
15	NC 27843	HOBGOOD	023	NY 12516
14	NC 28537	HOBUCKEN	023	NY 12517
11	NC 28347	HOFFMAN	024	NY 13626
16	NC 27844	HOLLISTER	023	NY 11727
11	NC 28538	HOOKERTON	023	NY 13749
16	NC 28742	HORSE SHOE	024	NY 14036
11	NC 28743	HOT SPRINGS	024	NY 12520
11	NC 28539	HUBERT	023	NY 12418
13	NC 28638	HUDSON	024	NY 10567
11	NC 27541	HURDLE MILLS	024	NY 12823
14	NC 28666	ICARD	024	NY 12419
11	NC 28079	INDIAN TRAIL	024	NY 14037
18	NC 28080	IRON STATION	024	NY 12927
16	NC 28447	IVANHOE	023	NY 12521
18	NC 27281	JACKSON SPRINGS	024	NY 14038
13	NC 27846	JAMESVILLE	023	NY 13327
14	NC 27947	JARVISBURG	023	NY 10517
12	NC 28641	JONAS RIDGE	024	NY 12052
11	NC 27283	JULIAN	022	NY 10518
12	NC 27847	KELFORD	023	NY 10520
15	NC 28448	KELLY	023	NY 10521
14	NC 28349	KENANSVILLE	023	NY 12928
12	NC 27948	KILL DEVIL HILLS	023	NY 12729
11	NC 27021	KING	024	NY 11935

15  
14  
11

NC 27543	KIPLING	023	NY 14039
NC 27544	KITTRELL	023	NY 14836
NC 27949	KITTY HAWK	023	NY 14040
NC 27950	KNOTTS ISLAND	023	NY 13750
NC 28449	KURE BEACH	017	NY 13751
NC 28745	LAKE JUNALUSKA	024	NY 14041
NC 28746	LAKE LURE	024	NY 13630
NC 28747	LAKE TOXAWAY	024	NY 13633
NC 28450	LAKE WACCAMAW	023	NY 13052
NC 28350	LAKEVIEW	024	NY 13328
NC 29356	LANDRUM	024	NY 13627
NC 28643	LANSING	024	NY 13628
NC 28089	LATTIMORE	024	NY 13752
NC 28351	LAUREL HILL	023	NY 14042
NC 28644	LAUREL SPRINGS	024	NY 13051
NC 28090	LAWNDALE	024	NY 13631
NC 27022	LAWSONVILLE	024	NY 12421
NC 27291	LEASBURG	024	NY 13632
NC 28355	LEMON SPRINGS	024	NY 14047
NC 27849	LEWISTON WOODVILLE	023	NY 14728
NC 28091	LILESVILLE	024	NY 12824
NC 28646	LINVILLE	024	NY 12930
NC 28647	LINVILLE FALLS	024	NY 12055
NC 27299	LINWOOD	024	NY 13755
NC 28749	LITTLE SWITZERLAND	024	NY 14441
NC 28097	LOCUST	024	NY 12056
NC 28452	LONGWOOD	023	NY 12422
NC 27024	LOWGAP	024	NY 13054
NC 28552	LOWLAND	023	NY 13331
NC 28357	LUMBER BRIDGE	023	NY 12057
NC 28750	LYNN	024	NY 12058
NC 27551	MACON	023	NY 14051
NC 28751	MAGGIE VALLEY	024	NY 12059
NC 28453	MAGNOLIA	023	NY 14054
NC 27552	MAMERS	023	NY 13756
NC 27953	MANNS HARBOR	023	NY 12060
NC 27553	MANSON	023	NY 12423
NC 27954	MANTEO	023	NY 13056
NC 27956	MAPLE	023	NY 11730
NC 28454	MAPLE HILL	023	NY 11939
NC 28905	MARBLE	024	NY 13757
NC 27853	MARGARETTSVILLE	023	NY 12062
NC 28362	MARIETTA	023	NY 11732
NC 28553	MARSHALLBERG	023	NY 14729
NC 28363	MARSTON	024	NY 14056
NC 28554	MAURY	023	NY 13758
NC 28555	MAYSVILLE	023	NY 11942
NC 28101	MC ADENVILLE	022	NY 14730
NC 28102	MC FARLAN	024	NY 12063
NC 28649	MC GRADY	024	NY 13333
NC 27301	MC LEANSVILLE	022	NY 14449
NC 28545	MCCUTCHEON FIELD	019	NY 12064
NC 28556	MERRITT	023	NY 11941
NC 27957	MERRY HILL	023	NY 13334
NC 28755	MICAVILLE	024	NY 13335

NC 27555	MICRO	023	NY 13635
NC 27556	MIDDLEBURG	023	NY 14058
NC 28107	MIDLAND	024	NY 13060
NC 28756	MILL SPRING	024	NY 12732
NC 28651	MILLERS CREEK	024	NY 12932
NC 28759	MILLS RIVER	024	NY 12523
NC 27305	MILTON	024	NY 12427
NC 30559	MINERAL BLUFF	024	NY 12933
NC 28108	MINERAL SPRINGS	024	NY 12934
NC 28652	MINNEAPOLIS	024	NY 12935
NC 28109	MISENHEIMER	024	NY 14732
NC 27559	MONCURE	024	NY 13636
NC 28653	MONTEZUMA	024	NY 14059
NC 28114	MOORESBORO	024	NY 13762
NC 28654	MORAVIAN FALLS	024	NY 13061
NC 28119	MORVEN	024	NY 14838
NC 28123	MOUNT MOURNE	024	NY 12429
NC 28125	MOUNT ULLA	024	NY 12066
NC 28758	MOUNTAIN HOME	024	NY 12936
NC 27958	MOYOCK	023	NY 13062
NC 27959	NAGS HEAD	023	NY 13063
NC 28455	NAKINA	023	NY 13064
NC 28760	NAPLES	024	NY 12733
NC 28761	NEBO	024	NY 14452
NC 27562	NEW HILL	024	NY 11690
NC 28127	NEW LONDON	024	NY 11691
NC 28570	NEWPORT	023	NY 11693
NC 28366	NEWTON GROVE	023	NY 11695
NC 27563	NORLINA	023	NY 14060
NC 28367	NORMAN	024	NY 14425
NC 27857	OAK CITY	023	NY 14061
NC 28465	OAK ISLAND	023	NY 13065
NC 27310	OAK RIDGE	022	NY 13638
NC 28129	OAKBORO	024	NY 12734
NC 28469	OCEAN ISLE BEACH	023	NY 12067
NC 27960	OCRACOKE	023	NY 14735
NC 28762	OLD FORT	024	NY 14736
NC 28660	OLIN	024	NY 13639
NC 28368	OLIVIA	023	NY 14453
NC 28571	ORIENTAL	023	NY 13641
NC 28369	ORRUM	023	NY 13774
NC 28763	OTTO	024	NY 12430
NC 27860	PANTEGO	023	NY 11001
NC 28371	PARKTON	023	NY 11002
NC 27861	PARMELE	023	NY 11005
NC 28661	PATTERSON	024	NY 13337
NC 28133	PEACHLAND	024	NY 12777
NC 27311	PELHAM	024	NY 13338
NC 27862	PENDLETON	023	NY 14062
NC 28765	PENLAND	024	NY 12827
NC 28766	PENROSE	024	NY 12937
NC 27040	PFAFFTOWN	018	NY 13602
NC 27042	PINE HALL	024	NY 12070
NC 27568	PINE LEVEL	023	NY 13340
NC 28373	PINEBLUFF	024	NY 13775

NC 28662	PINEOLA	024	NY 13341
NC 27865	PINETOWN	023	NY 14065
NC 28663	PINEY CREEK	024	NY 12431
NC 28572	PINK HILL	023	NY 13068
NC 27043	PINNACLE	024	NY 12736
NC 28768	PISGAH FOREST	024	NY 11365
NC 27866	PLEASANT HILL	023	NY 11366
NC 28664	PLUMTREE	024	NY 12071
NC 27964	POINT HARBOR	023	NY 12939
NC 28135	POLKTON	024	NY 14066
NC 28136	POLKVILLE	024	NY 12073
NC 28573	POLLOCKSVILLE	023	NY 12831
NC 28308	POPE ARMY AIRFIELD	020	NY 10923
NC 27965	POPLAR BRANCH	023	NY 13342
NC 27867	POTECASI	023	NY 14067
NC 27966	POWELLS POINT	023	NY 13071
NC 27967	POWELLSVILLE	023	NY 13072
NC 27569	PRINCETON	023	NY 12526
NC 28375	PROCTORVILLE	023	NY 14740
NC 27314	PROSPECT HILL	024	NY 12075
NC 27315	PROVIDENCE	024	NY 13776
NC 28665	PURLEAR	024	NY 12076
NC 27868	RED OAK	023	NY 13777
NC 28378	REX	023	NY 11545
NC 28667	RHODHISS	024	NY 11004
NC 27869	RICH SQUARE	023	NY 12737
NC 28137	RICHFIELD	024	NY 12738
NC 28574	RICHLANDS	023	NY 13343
NC 27570	RIDGEWAY	023	NY 12433
NC 28456	RIEGELWOOD	023	NY 12801
NC 28668	ROARING GAP	024	NY 11547
NC 28669	ROARING RIVER	024	NY 14461
NC 28457	ROCKY POINT	023	NY 12082
NC 27968	RODANTHE	023	NY 12740
NC 27969	RODUKO	023	NY 12434
NC 28670	RONDA	024	NY 14072
NC 27970	ROPER	023	NY 11739
NC 28458	ROSE HILL	023	NY 14741
NC 28772	ROSMAN	024	NY 12833
NC 27872	ROXOBEL	023	NY 12435
NC 27326	RUFFIN	024	NY 14742
NC 28671	RUTHERFORD COLLEGE	024	NY 11548
NC 28385	SALEMBURG	023	NY 12083
NC 28575	SALTER PATH	023	NY 14839
NC 28773	SALUDA	024	NY 13345
NC 27972	SALVO	023	NY 14462
NC 27046	SANDY RIDGE	024	NY 12084
NC 28774	SAPPHIRE	024	NY 13780
NC 28775	SCALY MOUNTAIN	024	NY 12836
NC 28699	SCOTTS	024	NY 13645
NC 28672	SCOTTVILLE	024	NY 12438
NC 27875	SCRANTON	023	NY 14463
NC 27876	SEABOARD	023	NY 13782
NC 27341	SEAGROVE	024	NY 14464
NC 28577	SEALEVEL	023	NY 13646

NC 27342	SEDALIA	022	NY 12837
NC 27343	SEMORA	024	NY 12741
NC 28578	SEVEN SPRINGS	023	NY 12087
NC 27877	SEVERN	023	NY 13647
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NC 27973	SHAWBORO	023	NY 13786
NC 28673	SHERRILLS FORD	024	NY 13787
NC 27047	SILOAM	024	NY 12742
NC 27879	SIMPSON	023	NY 13648
NC 27880	SIMS	023	NY 12838
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NC 28460	SNEADS FERRY	023	NY 13076
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NC 28580	SNOW HILL	023	NY 11788
NC 27350	SOPHIA	024	NY 14841
NC 27976	SOUTH MILLS	023	NY 13649
NC 27881	SPEED	023	NY 14466
NC 28581	STACY	023	NY 13650
NC 27355	STALEY	024	NY 13651
NC 28163	STANFIELD	024	NY 14467
NC 27356	STAR	024	NY 12439
NC 28676	STATE ROAD	024	NY 13652
NC 28582	STELLA	023	NY 13654
NC 27581	STEM	024	NY 11557
NC 27884	STOKES	023	NY 12440
NC 27048	STONEVILLE	024	NY 12743
NC 28583	STONEWALL	023	NY 12441
NC 27582	STOVALL	024	NY 12529
NC 24171	STUART	024	NY 14842
NC 27978	STUMPY POINT	023	NY 13352
NC 28679	SUGAR GROVE	024	NY 14743
NC 27979	SUNBURY	023	NY 13788
NC 28468	SUNSET BEACH	023	NY 13353
NC 28462	SUPPLY	023	NY 13655
NC 28584	SWANSBORO	023	NY 11741
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NC 28543	TARAWA TERRACE	019	NY 13354
NC 28464	TEACHEY	023	NY 11423
NC 28682	TERRELL	024	NY 12530
NC 28683	THURMOND	024	NY 00501
NC 27887	TILLERY	023	NY 00544
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NC 27584	TOWNSVILLE	023	NY 12745
NC 28685	TRAPHILL	024	NY 14744
NC 28166	TROUTMAN	024	NY 10932
NC 28783	TUCKASEGEE	024	NY 12092
NC 28393	TURKEY	023	NY 13355
NC 28688	TURNERSBURG	024	NY 12537
NC 28784	TUXEDO	024	NY 12746
NC 27980	TYNER	023	NY 12841
NC 28689	UNION GROVE	024	NY 14745
NC 28167	UNION MILLS	024	NY 14846

NC 28168 VALE	024	NY 12442
NC 28691 VALLE CRUCIS	024	NY 12747
NC 28586 VANCEBORO	023	NY 12842
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NC 28394 VASS	024	NY 14847
NC 27586 VAUGHAN	023	NY 14475
NC 28692 VILAS	024	NY 14081
NC 24598 VIRGILINA	024	NY 11749
NC 28169 WACO	024	NY 11752
NC 28396 WAGRAM	023	NY 14854
NC 27373 WALLBURG	024	NY 11947
NC 27888 WALSTONBURG	023	NY 13078
NC 27981 WANCHESE	023	NY 14855
NC 28909 WARNE	024	NY 14082
NC 28693 WARRENSVILLE	024	NY 14083
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NC 28173 WAXHAW	024	NY 12093
NC 28788 WEBSTER	024	NY 10535
NC 27376 WEST END	024	NY 12748
NC 28694 WEST JEFFERSON	024	NY 12444
NC 27053 WESTFIELD	024	NY 12843
NC 28399 WHITE OAK	023	NY 10933
NC 27377 WHITSETT	022	NY 12094
NC 28789 WHITTIER	024	NY 13080
NC 28478 WILLARD	023	NY 13361
NC 28589 WILLISTON	023	NY 14856
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NC 27593 WILSONS MILLS	023	NY 12749
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ACRA	061
ADAMS BASIN	039
ADIRONDACK	067
AFTON	044
ALBERTSON	021
ALCOVE	072
ALDER CREEK	067
ALEXANDER	060
ALFRED STATION	084
ALLENTOWN	084
ALMA	084
ALMOND	084
ALPINE	054
ALTMAR	067
ALTON	051
ALTONA	067
AMAWALK	065
AMENIA	058
AMITYVILLE	075
ANCRAM	059
ANCRAMDALE	059
ANDES	061
ANGELICA	084
ANNANDALE ON HUDSON	058
APALACHIN	054
APULIA STATION	038
AQUEBOGUE	076
ARDSLEY ON HUDSON	097
ARGYLE	067
ARKVILLE	061
ARVERNE	055
ASHLAND	061
ASHVILLE	031
ATHOL	067
ATHOL SPRINGS	042
ATLANTA	084
ATLANTIC BEACH	020
AU SABLE FORKS	067
AURORA	051
AUSTERLITZ	059
AVA	067
BAKERS MILLS	067
BALDWIN PLACE	065
BALLSTON LAKE	016
BARNEVELD	067
BARRYTOWN	058
BARRYVILLE	083
BARTON	054
BASOM	060
BAYPORT	075
BEAR MOUNTAIN	068
BEARSVILLE	061
BEAVER DAMS	054
BEAVER FALLS	067

ST	ZIP	CITY
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TX	79311	ABERNATHY
TX	77326	ACE
TX	79713	ACKERLY
TX	75001	ADDISON
TX	78101	ADKINS
TX	79001	ADRIAN
TX	79220	AFTON
TX	78330	AGUA DULCE
TX	79221	AIKEN
TX	79002	ALANREED
TX	75410	ALBA
TX	76008	ALEDO
TX	77411	ALIEF
TX	75002	ALLEN
TX	75013	ALLEN
TX	78935	ALLEYTON
TX	79003	ALLISON
TX	77412	ALTAIR
TX	76225	ALVORD
TX	79312	AMHERST
TX	77830	ANDERSON
TX	75409	ANNA
TX	75550	ANNONA
TX	79313	ANTON
TX	75926	APPLE SPRINGS
TX	76622	AQUILLA
TX	76226	ARGYLE
TX	78338	ARMSTRONG
TX	75750	ARP
TX	76820	ART
TX	78001	ARTESIA WELLS
TX	75411	ARTHUR CITY
TX	78002	ATASCOSA
TX	76227	AUBREY
TX	77950	AUSTWELL
TX	76623	AVALON
TX	75554	AVERY
TX	75630	AVINGER
TX	79503	AVOCA
TX	76624	AXTELL
TX	76020	AZLE
TX	76098	AZLE
TX	77518	BACLIFF
TX	75412	BAGWELL
TX	75413	BAILEY
TX	79718	BALMORHEA
TX	76823	BANGS
TX	78339	BANQUETE
TX	75101	BARDWELL
TX	77413	BARKER
TX	78828	BARKSDALE
TX	76930	BARNHART
TX	75102	BARRY

BEDFORD HILLS	065	TX 79719	BARSTOW
BELFAST	084	TX 76511	BARTLETT
BELLEROSE	055	TX 78829	BATESVILLE
BELLEVILLE	074	TX 77519	BATSON
BELLONA	051	TX 78340	BAYSIDE
BELLVALE	064	TX 77417	BEASLEY
BEMUS POINT	031	TX 75631	BECKVILLE
BERGEN	060	TX 76021	BEDFORD
BERKSHIRE	054	TX 76022	BEDFORD
BERLIN	073	TX 76095	BEDFORD
BERNE	072	TX 77831	BEDIAS
BERNHARDS BAY	067	TX 76228	BELLEVUE
BETHEL	082	TX 75414	BELLS
BETHPAGE	020	TX 78604	BELMONT
BIBLE SCHOOL PARK	028	TX 78342	BEN BOLT
BIG INDIAN	061	TX 75415	BEN FRANKLIN
BILLINGS	033	TX 75754	BEN WHEELER
BLACK CREEK	084	TX 76824	BEND
BLAUVELT	068	TX 79505	BENJAMIN
BLISS	084	TX 78107	BERCLAIR
BLOOMFIELD	051	TX 78004	BERGHEIM
BLOOMINGBURG	082	TX 78605	BERTRAM
BLOOMINGDALE	067	TX 79834	BIG BEND NATIONAL PARK
BLOOMINGTON	062	TX 75755	BIG SANDY
BLOOMVILLE	061	TX 75797	BIG SANDY
BLOSSVALE	086	TX 78005	BIGFOOT
BLUE MOUNTAIN LAKE	067	TX 75555	BIVINS
BLUE POINT	076	TX 79506	BLACKWELL
BOHEMIA	075	TX 78606	BLANCO
BOICEVILLE	061	TX 76432	BLANKET
BOLTON LANDING	067	TX 79314	BLEDSE
BOMBAY	067	TX 78931	BLEIBLERVILLE
BOUCKVILLE	054	TX 77419	BLESSING
BOVINA CENTER	061	TX 75556	BLOOMBURG
BOWMANSVILLE	042	TX 76626	BLOOMING GROVE
BRADFORD	054	TX 77951	BLOOMINGTON
BRAINARD	059	TX 75416	BLOSSOM
BRAINARDSVILLE	067	TX 75424	BLUE RIDGE
BRANCHPORT	051	TX 76352	BLUEGROVE
BRANT	041	TX 76433	BLUFF DALE
BRANT LAKE	067	TX 78607	BLUFFTON
BRANTINGHAM	067	TX 76627	BLUM
BRASHER FALLS	067	TX 75417	BOGATA
BREEZY POINT	055	TX 77420	BOLING
BRIDGEPORT	086	TX 75928	BON WIER
BRIDGEWATER	054	TX 79005	BOOKER
BRIER HILL	067	TX 79009	BOVINA
BRIGHTWATERS	075	TX 76023	BOYD
BROCTON	031	TX 79010	BOYS RANCH
BROOKFIELD	054	TX 76628	BRANDON
BROOKHAVEN	076	TX 75420	BRASHEAR
BROOKTONDALE	054	TX 77422	BRAZORIA
BRUSHTON	067	TX 78608	BRIGGS
BULLVILLE	064	TX 79011	BRISCOE
BURDETT	054	TX 75929	BROADDUS

BURKE	067	TX 75930	BRONSON
BURLINGHAM	082	TX 75931	BROOKELAND
BURLINGTON FLATS	061	TX 76827	BROOKESMITH
BURNT HILLS	056	TX 75421	BROOKSTON
BURT	049	TX 75756	BROWNSBORO
BUSKIRK	067	TX 76630	BRUCEVILLE
BYRON	060	TX 78344	BRUNI
CADYVILLE	067	TX 76427	BRYSON
CALLICOON CENTER	083	TX 78609	BUCHANAN DAM
CALVERTON	076	TX 76518	BUCKHOLTS
CAMBRIA HEIGHTS	055	TX 78610	BUDA
CAMERON MILLS	084	TX 75831	BUFFALO
CANAAN	059	TX 79508	BUFFALO GAP
CANASERAGA	084	TX 75757	BULLARD
CANDOR	054	TX 78163	BULVERDE
CANEADEA	084	TX 77612	BUNA
CAPE VINCENT	074	TX 76828	BURKETT
CARLE PLACE	021	TX 75932	BURKEVILLE
CARLISLE	061	TX 76028	BURLESON
CAROGA LAKE	067	TX 76097	BURLESON
CASSADAGA	031	TX 76519	BURLINGTON
CASSVILLE	054	TX 77835	BURTON
CASTLE CREEK	044	TX 79012	BUSHLAND
CASTLE POINT	058	TX 76357	BYERS
CASTLETON ON HUDSON	073	TX 76631	BYNUM
CASTORLAND	067	TX 79013	CACTUS
CAYUTA	054	TX 76429	CADDO
CENTERVILLE	084	TX 75135	CADDO MILLS
CENTRAL BRIDGE	061	TX 75933	CALL
CENTRAL ISLIP	075	TX 78007	CALLIHAM
CENTRAL SQUARE	067	TX 78833	CAMP WOOD
CERES	084	TX 75422	CAMPBELL
CHADWICKS	015	TX 78008	CAMPBELLTON
CHAFFEE	041	TX 75103	CANTON
CHARLOTTEVILLE	061	TX 78133	CANYON LAKE
CHASE MILLS	067	TX 76435	CARBON
CHAUMONT	074	TX 76934	CARLSBAD
CHAUTAUQUA	031	TX 76436	CARLTON
CHAZY	067	TX 78932	CARMINE
CHELSEA	058	TX 75636	CASON
CHEMUNG	054	TX 76831	CASTELL
CHENANGO FORKS	054	TX 78009	CASTROVILLE
CHERRY CREEK	031	TX 78933	CAT SPRING
CHERRY PLAIN	073	TX 78836	CATARINA
CHERRY VALLEY	061	TX 75832	CAYUGA
CHESTERTOWN	067	TX 78612	CEDAR CREEK
CHICHESTER	061	TX 75104	CEDAR HILL
CHILDWOLD	067	TX 75106	CEDAR HILL
CHIPPEWA BAY	067	TX 77415	CEDAR LANE
CHURUBUSCO	067	TX 78613	CEDAR PARK
CICERO	012	TX 78630	CEDAR PARK
CINCINNATUS	054	TX 79223	CEE VEE
CIRCLEVILLE	064	TX 75423	CELESTE
CLARENDON	047	TX 78010	CENTER POINT
CLARKSON	048	TX 75833	CENTERVILLE

CLARYVILLE	083	TX 75834	CENTRALIA
CLAVERACK	059	TX 75758	CHANDLER
CLAYVILLE	054	TX 77530	CHANNELVIEW
CLEMONS	067	TX 79018	CHANNING
CLEVELAND	086	TX 78347	CHAPMAN RANCH
CLEVERDALE	036	TX 77426	CHAPPELL HILL
CLIFTON PARK	071	TX 75105	CHATFIELD
CLIMAX	059	TX 76832	CHEROKEE
CLOCKVILLE	086	TX 75936	CHESTER
CLYMER	031	TX 76431	CHICO
COCHECTON	083	TX 75425	CHICOTA
COCHECTON	083	TX 76632	CHILTON
COEYMANS	072	TX 77613	CHINA
COEYMANS HOLLOW	072	TX 76633	CHINA SPRING
COHOCTON	084	TX 75937	CHIRENO
COLD BROOK	067	TX 77838	CHRIESMAN
COLDEN	041	TX 78012	CHRISTINE
COLLIERSVILLE	061	TX 76935	CHRISTOVAL
COLLINS	041	TX 78108	CIBOLO
COLLINS CENTER	041	TX 79019	CLAUDE
COLTON	067	TX 75637	CLAYTON
COLUMBIAVILLE	059	TX 79836	CLINT
COMSTOCK	067	TX 79510	CLYDE
CONESUS	084	TX 79511	COAHOMA
CONEWANGO VALLEY	031	TX 77331	COLDSPRING
CONGERS	068	TX 77428	COLLEGEPORT
CONNELLY	062	TX 76034	COLLEYVILLE
CONSTABLE	067	TX 76233	COLLINSVILLE
CONSTABLEVILLE	067	TX 75938	COLMESNEIL
CONSTANTIA	067	TX 78535	COMBES
COOPERS PLAINS	040	TX 75431	COMO
COPAKE	059	TX 78837	COMSTOCK
COPAKE FALLS	059	TX 78838	CONCAN
COPENHAGEN	067	TX 78349	CONCEPCION
CORAM	076	TX 77850	CONCORD
CORBETTSVILLE	028	TX 78109	CONVERSE
CORFU	060	TX 75558	COOKVILLE
CORNWALL ON HUDSON	032	TX 75121	COPEVILLE
CORNWALLVILLE	061	TX 75019	COPPELL
CORTLANDT MANOR	065	TX 75099	COPPELL
COSSAYUNA	067	TX 78614	COST
COTTEKILL	062	TX 79021	COTTON CENTER
COWLESVILLE	084	TX 78615	COUPLAND
CRANBERRY LAKE	067	TX 76636	COVINGTON
CRARYVILLE	059	TX 79730	COYANOSA
CRITTENDEN	041	TX 75114	CRANDALL
CROGHAN	067	TX 76637	CRANFILLS GAP
CROMPOND	065	TX 76638	CRAWFORD
CROPSEYVILLE	073	TX 76035	CRESSON
CROSS RIVER	065	TX 77532	CROSBY
CROTON ON HUDSON	065	TX 76036	CROWLEY
CROTON ON HUDSON	065	TX 75433	CUMBY
CROWN POINT	067	TX 75759	CUNEY
CUDEBACKVILLE	064	TX 75434	CUNNINGHAM
CUTCHOGUE	076	TX 75760	CUSHING

DALE	084	TX 77410	CYPRESS
DALTON	084	TX 77429	CYPRESS
DARIEN CENTER	060	TX 77433	CYPRESS
DAVENPORT	061	TX 78850	D HANIS
DAVENPORT CENTER	061	TX 78616	DALE
DAYTON	084	TX 77332	DALLARDSVILLE
DE KALB JUNCTION	067	TX 77430	DAMON
DE PEYSTER	067	TX 77534	DANBURY
DE RUYTER	054	TX 77431	DANCIGER
DEANSBORO	054	TX 77432	DANEVANG
DEER RIVER	067	TX 79024	DARROUZETT
DEFERIET	074	TX 76523	DAVILLA
DELANCEY	061	TX 79025	DAWN
DELEVAN	084	TX 75639	DE BERRY
DELPHI FALLS	038	TX 77852	DEANVILLE
DENMARK	067	TX 77536	DEER PARK
DENVER	061	TX 78617	DEL VALLE
DEPAUVILLE	074	TX 79837	DELL CITY
DERBY	041	TX 78536	DELMITA
DEWITTVILLE	031	TX 76439	DENNIS
DIAMOND POINT	067	TX 75435	DEPORT
DICKINSON CENTER	067	TX 76445	DESDEMONA
DORMANSVILLE	072	TX 75115	DESOTO
DOWNSVILLE	061	TX 75123	DESOTO
DRESDEN	051	TX 75436	DETROIT
DUANESBURG	009	TX 77538	DEVERS
DURHAM	061	TX 77614	DEWEYVILLE
DURHAMVILLE	086	TX 75640	DIANA
EAGLE BAY	067	TX 79229	DICKENS
EAGLE BRIDGE	067	TX 75437	DIKE
EARLTON	059	TX 77853	DIME BOX
EAST AMHERST	042	TX 78350	DINERO
EAST BERNE	072	TX 77333	DOBBIN
EAST BETHANY	060	TX 75438	DODD CITY
EAST BRANCH	061	TX 77334	DODGE
EAST CHATHAM	059	TX 79230	DODSON
EAST DURHAM	061	TX 75838	DONIE
EAST HOMER	054	TX 76836	DOOLE
EAST ISLIP	075	TX 78618	DOSS
EAST MARION	076	TX 75942	DOUCETTE
EAST MEREDITH	061	TX 79231	DOUGHERTY
EAST NASSAU	059	TX 75943	DOUGLASS
EAST NORWICH	022	TX 75560	DOUGLASSVILLE
EAST OTTO	084	TX 78619	DRIFTWOOD
EAST PEMBROKE	060	TX 78620	DRIPPING SPRINGS
EAST PHARSALIA	054	TX 78351	DRISCOLL
EAST QUOGUE	076	TX 78851	DRYDEN
EAST RANDOLPH	084	TX 75116	DUNCANVILLE
EAST SCHODACK	073	TX 75137	DUNCANVILLE
EAST SPRINGFIELD	061	TX 75138	DUNCANVILLE
EAST WILLIAMSON	051	TX 79516	DUNN
EAST WORCESTER	061	TX 79607	DYESS AFB
EASTPORT	076	TX 76802	EARLY
EATON	054	TX 76803	EARLY
EDMESTON	061	TX 79031	EARTH

EDWARDS	067	TX 77435	EAST BERNARD
ELBA	060	TX 75641	EASTON
ELBRIDGE	038	TX 78111	ECLETO
ELDRED	083	TX 75439	ECTOR
ELIZABETHTOWN	067	TX 76524	EDDY
ELIZAVILLE	059	TX 75117	EDGEWOOD
ELKA PARK	061	TX 79032	EDMONSON
ELLENBURG	067	TX 78352	EDROY
ELLENBURG CENTER	067	TX 77436	EGYPT
ELLENBURG DEPOT	067	TX 78860	EL INDIO
ELLINGTON	031	TX 75839	ELKHART
ELLISBURG	074	TX 78938	ELLINGER
ELMA	042	TX 76640	ELM MOTT
ENDWELL	028	TX 77440	ELMATON
ERIEVILLE	054	TX 78112	ELMENDORF
ERIN	054	TX 75118	ELMO
ESOPUS	062	TX 75642	ELYSIAN FIELDS
ESPERANCE	052	TX 75440	EMORY
ESSEX	067	TX 78019	ENCINAL
ETNA	054	TX 78353	ENCINO
FABIUS	038	TX 76452	ENERGY
FAIR HAVEN	051	TX 75441	ENLOE
FALLSBURG	082	TX 79324	ENOCHS
FANCHER	047	TX 76937	EOLA
FAR ROCKAWAY	055	TX 76238	ERA
FAR ROCKAWAY	055	TX 79233	ESTELLINE
FAR ROCKAWAY	055	TX 75944	ETOILE
FAR ROCKAWAY	055	TX 75124	EUSTACE
FARMERSVILLE STATION	084	TX 77615	EVADALE
FARMINGTON	051	TX 76525	EVANT
FARNHAM	041	TX 78545	FALCON HEIGHTS
FAYETTE	051	TX 78113	FALLS CITY
FELTS MILLS	074	TX 77960	FANNIN
FERNDALE	081	TX 79033	FARNSWORTH
FEURA BUSH	013	TX 75132	FATE
FILLMORE	084	TX 78940	FAYETTEVILLE
FINDLEY LAKE	031	TX 78622	FENTRESS
FINE	067	TX 79326	FIELDTON
FISHERS	051	TX 78623	FISCHER
FISHERS LANDING	074	TX 76526	FLAT
FISHS EDDY	061	TX 75762	FLINT
FLEISCHMANN'S	061	TX 79234	FLOMOT
FLORAL PARK	020	TX 76527	FLORENCE
FLORAL PARK	020	TX 75022	FLOWER MOUND
FLORAL PARK	055	TX 75027	FLOWER MOUND
FLY CREEK	061	TX 75028	FLOWER MOUND
FORESTBURGH	083	TX 79517	FLUVANNA
FORESTPORT	067	TX 77855	FLYNN
FORESTVILLE	031	TX 79034	FOLLETT
FORT ANN	067	TX 76239	FORESTBURG
FORT COVINGTON	067	TX 76041	FORRESTON
FORT DRUM	074	TX 79733	FORSAN
FORT JOHNSON	035	TX 79916	FORT BLISS
FRANKFORT	052	TX 79918	FORT BLISS
FRANKLIN	061	TX 79839	FORT HANCOCK

FRANKLIN SPRINGS	015	TX 76544	FORT HOOD
FREEDOM	084	TX 76841	FORT MC KAVETT
FREEHOLD	061	TX 78021	FOWLERTON
FREEVILLE	054	TX 77961	FRANCITAS
FREMONT CENTER	083	TX 77616	FRED
FRESH MEADOWS	055	TX 76842	FREDONIA
FRESH MEADOWS	055	TX 77545	FRESNO
FULTONHAM	061	TX 77546	FRIENDSWOOD
GABRIELS	067	TX 77549	FRIENDSWOOD
GAINESVILLE	084	TX 75033	FRISCO
GALLUPVILLE	061	TX 75034	FRISCO
GANSEVOORT	016	TX 75035	FRISCO
GARNERVILLE	068	TX 75036	FRISCO
GARRATTSVILLE	061	TX 79036	FRITCH
GASPORT	049	TX 76641	FROST
GENOA	051	TX 75127	FRUITVALE
GEORGETOWN	054	TX 77441	FULSHEAR
GERMANTOWN	059	TX 78358	FULTON
GERRY	031	TX 79738	GAIL
GHENT	059	TX 75764	GALLATIN
GILBERTSVILLE	061	TX 78547	GARCIASVILLE
GILBOA	061	TX 79739	GARDEN CITY
GLEN AUBREY	044	TX 79758	GARDENDALE
GLEN HEAD	022	TX 75946	GARRISON
GLEN OAKS	055	TX 77442	GARWOOD
GLEN SPEY	083	TX 75643	GARY
GLEN WILD	081	TX 77857	GAUSE
GLENFIELD	067	TX 78115	GERONIMO
GLENFORD	062	TX 77617	GILCHRIST
GLENS FALLS	036	TX 78116	GILLETT
GLENWOOD LANDING	022	TX 79518	GIRARD
GORHAM	051	TX 79740	GIRVIN
GRAFTON	073	TX 77443	GLEN FLORA
GRAHAMSVILLE	083	TX 78943	GLIDDEN
GRAND GORGE	061	TX 75443	GOBER
GRAND ISLAND	042	TX 76044	GODLEY
GREAT RIVER	075	TX 75444	GOLDEN
GREAT VALLEY	084	TX 79519	GOLDSBORO
GREENFIELD CENTER	016	TX 79741	GOLDSMITH
GREENFIELD PARK	062	TX 76908	GOODFELLOW AFB
GREENHURST	031	TX 77335	GOODRICH
GREENVALE	021	TX 76453	GORDON
GREENVILLE	061	TX 76245	GORDONVILLE
GREENWOOD	084	TX 76363	GOREE
GREIG	067	TX 76845	GOULDBUSK
GROVELAND	084	TX 76449	GRAFORD
GUILDERLAND	013	TX 79742	GRANDFALLS
GUILFORD	054	TX 76050	GRANDVIEW
HAGUE	067	TX 76246	GREENWOOD
HAILESBORO	067	TX 78359	GREGORY
HALCOTTSVILLE	061	TX 79039	GROOM
HALL	051	TX 75845	GROVETON
HAMDEN	061	TX 79040	GRUVER
HAMLIN	048	TX 78360	GUERRA
HAMMOND	067	TX 75058	GUNTER

HAMPTON	067	TX 76455	GUSTINE
HANKINS	083	TX 79236	GUTHRIE
HANNACROIX	059	TX 77444	GUY
HANNAWA FALLS	067	TX 75650	HALLSVILLE
HARFORD	054	TX 77622	HAMSHIRE
HARPERSFIELD	061	TX 77560	HANKAMER
HARPURSVILLE	044	TX 79042	HAPPY
HARRIS	081	TX 77561	HARDIN
HARRISVILLE	067	TX 78549	HARGILL
HARTFORD	067	TX 76548	HARKER HEIGHTS
HARTWICK	061	TX 75651	HARLETON
HASTINGS	067	TX 78631	HARPER
HASTINGS ON HUDSON	097	TX 76364	HARROLD
HAUPPAUGE	075	TX 79043	HART
HECTOR	054	TX 79044	HARTLEY
HELENA	067	TX 78632	HARWOOD
HEMLOCK	084	TX 76052	HASLET
HENDERSON	074	TX 75765	HAWKINS
HENDERSON HARBOR	074	TX 79525	HAWLEY
HENRIETTA	011	TX 79237	HEDLEY
HENSONVILLE	061	TX 76533	HEIDENHEIMER
HERMON	067	TX 78023	HELOTES
HEUVELTON	067	TX 75948	HEMPHILL
HEWLETT	020	TX 79526	HERMLEIGH
HIGH FALLS	062	TX 76643	HEWITT
HIGHLAND LAKE	083	TX 76848	HEXT
HIGHMOUNT	061	TX 78557	HIDALGO
HILLSDALE	059	TX 79046	HIGGINS
HIMROD	051	TX 77623	HIGH ISLAND
HINCKLEY	067	TX 77624	HILLISTER
HINSDALE	084	TX 88240	HOBBS
HOBART	061	TX 78117	HOBSON
HOFFMEISTER	067	TX 77967	HOCHHEIM
HOGANSBURG	067	TX 77447	HOCKLEY
HOLBROOK	076	TX 76534	HOLLAND
HOLLAND	041	TX 78657	HORSESHOE BAY
HOLLAND PATENT	067	TX 75459	HOWE
HOLLIS	055	TX 77336	HUFFMAN
HOLLOWVILLE	059	TX 77337	HUFSMITH
HOLTSVILLE	076	TX 77448	HUNGERFORD
HOLTSVILLE	076	TX 78024	HUNT
HOLTSVILLE	076	TX 75141	HUTCHINS
HONEOYE	051	TX 78634	HUTTO
HOOSICK	073	TX 78635	HYE
HOPEWELL JUNCTION	058	TX 74745	IDABEL
HORTONVILLE	083	TX 79743	IMPERIAL
HOUGHTON	084	TX 78944	INDUSTRY
HOWELLS	064	TX 77968	INEZ
HOWES CAVE	061	TX 78025	INGRAM
HUBBARDSVILLE	054	TX 77861	IOLA
HUGHSONVILLE	058	TX 79527	IRA
HUGUENOT	064	TX 76649	IREDELL
HULETT'S LANDING	067	TX 76650	IRENE
HUME	084	TX 75447	IVANHOE
HUNT	084	TX 76537	JARRELL

HUNTER	061	TX 79528	JAYTON
HURLEYVILLE	081	TX 78234	JBSA FT SAM HOUSTON
INDIAN LAKE	067	TX 78236	JBSA LACKLAND
INLET	067	TX 78150	JBSA RANDOLPH
INTERLAKEN	051	TX 76459	JERMYN
IONIA	051	TX 75846	JEWETT
IRVING	041	TX 75954	JOAQUIN
ISLANDIA	075	TX 78636	JOHNSON CITY
ISLIP TERRACE	075	TX 75658	JOINERVILLE
JACKSONVILLE	054	TX 76538	JONESBORO
JAMESPORT	076	TX 75659	JONESVILLE
JAMESVILLE	012	TX 75164	JOSEPHINE
JASPER	084	TX 76058	JOSHUA
JAVA CENTER	084	TX 75660	JUDSON
JAVA VILLAGE	084	TX 79330	JUSTICEBURG
JAY	067	TX 76247	JUSTIN
JEFFERSON	061	TX 76369	KAMAY
JEFFERSON VALLEY	065	TX 75661	KARNACK
JEFFERSONVILLE	083	TX 77449	KATY
JEWETT	061	TX 77450	KATY
JOHNSBURG	067	TX 77491	KATY
JOHNSON	064	TX 77492	KATY
JOHNSONVILLE	067	TX 77493	KATY
JORDAN	051	TX 77494	KATY
JORDANVILLE	061	TX 76059	KEENE
KANONA	084	TX 76244	KELLER
KATTSKILL BAY	067	TX 76248	KELLER
KAUNEONGA LAKE	082	TX 77565	KEMAH
KEENE	067	TX 75143	KEMP
KEENE VALLEY	067	TX 76539	KEMPNER
KENDALL	047	TX 78027	KENDALIA
KENOZA LAKE	083	TX 77451	KENDLETON
KENT	047	TX 75847	KENNARD
KEUKA PARK	051	TX 77452	KENNEY
KIAMESHA LAKE	081	TX 79051	KERRICK
KILL BUCK	084	TX 75562	KILDARE
KILLAWOG	044	TX 78638	KINGSBURY
KING FERRY	051	TX 78639	KINGSLAND
KIRKVILLE	012	TX 77325	KINGWOOD
KNOWLESVILLE	047	TX 77339	KINGWOOD
KNOX	072	TX 77345	KINGWOOD
KNOXBORO	054	TX 75848	KIRVIN
LA FARGEVILLE	074	TX 75448	KLONDIKE
LA FAYETTE	038	TX 76939	KNICKERBOCKER
LACONA	067	TX 78870	KNIPPA
LAGRANGEVILLE	058	TX 79748	KNOTT
LAKE CLEAR	067	TX 76652	KOPPERL
LAKE GROVE	076	TX 76653	KOSSE
LAKE HILL	061	TX 79052	KRESS
LAKE HUNTINGTON	083	TX 76249	KRUM
LAKE LUZERNE	067	TX 77862	KURTEN
LAKE PEEKSKILL	046	TX 78640	KYLE
LAKE PLEASANT	067	TX 78558	LA BLANCA
LAKE VIEW	042	TX 78039	LA COSTE
LAKEMONT	051	TX 78560	LA JOYA

LAKEVILLE	084	TX 78872	LA PRYOR
LANESVILLE	061	TX 77969	LA SALLE
LANSING	054	TX 78121	LA VERNIA
LATHAM	013	TX 78562	LA VILLA
LAUREL	076	TX 77970	LA WARD
LAURENS	061	TX 76644	LAGUNA PARK
LAWRENCEVILLE	067	TX 75666	LAIRD HILL
LAWTONS	041	TX 75450	LAKE CREEK
LE ROY	060	TX 75065	LAKE DALLAS
LEE CENTER	067	TX 77453	LANE CITY
LEICESTER	084	TX 75667	LANEVILLE
LEON	084	TX 78871	LANGTRY
LEONARDSVILLE	054	TX 75770	LARUE
LEXINGTON	061	TX 78561	LASARA
LILY DALE	031	TX 75849	LATEXO
LIMERICK	074	TX 78843	LAUGHLIN AFB
LIMESTONE	084	TX 75166	LAVON
LINDLEY	084	TX 79530	LAWN
LINWOOD	084	TX 79053	LAZBUDDIE
LISBON	067	TX 78873	LEAKEY
LISLE	044	TX 78641	LEANDER
LITTLE GENESEE	084	TX 78645	LEANDER
LITTLE NECK	021	TX 78646	LEANDER
LITTLE NECK	055	TX 78946	LEDBETTER
LIVINGSTON	059	TX 75451	LEESBURG
LIVONIA	084	TX 78122	LEESVILLE
LIVONIA CENTER	084	TX 79054	LEFORS
LOCH SHELDRAKE	082	TX 77350	LEGGETT
LOCKE	051	TX 79240	LELIA LAKE
LOCKWOOD	054	TX 78050	LEMING
LOCUST VALLEY	022	TX 79749	LENORAH
LODI	051	TX 75850	LEONA
LONG EDDY	061	TX 76654	LEROY
LONG LAKE	067	TX 78947	LEXINGTON
LORRAINE	074	TX 78642	LIBERTY HILL
LOWMAN	027	TX 76061	LILLIAN
LYCOMING	037	TX 78948	LINCOLN
LYNDONVILLE	047	TX 76250	LINDSAY
LYON MOUNTAIN	067	TX 76461	LINGLEVILLE
LYON MOUNTAIN	067	TX 78563	LINN
LYONS FALLS	067	TX 76462	LIPAN
MACHIAS	084	TX 79056	LIPSCOMB
MADISON	054	TX 77454	LISSIE
MADRID	067	TX 75068	LITTLE ELM
MAINE	028	TX 76554	LITTLE RIVER ACADEMY
MALDEN BRIDGE	059	TX 77577	LIVERPOOL
MALDEN ON HUDSON	059	TX 75564	LODI
MALLORY	067	TX 76852	LOHN
MANNVILLE	067	TX 77971	LOLITA
MANORVILLE	076	TX 76853	LOMETA
MAPLE SPRINGS	031	TX 76854	LONDON
MAPLE VIEW	067	TX 75453	LONE OAK
MAPLECREST	061	TX 75669	LONG BRANCH
MARGARETVILLE	061	TX 79342	LOOP
MARIETTA	038	TX 78564	LOPENO

MARILLA	041	TX 76655	LORENA
MARION	051	TX 79343	LORENZO
MARTINSBURG	067	TX 78565	LOS EBANOS
MARTVILLE	067	TX 78567	LOS INDIOS
MARYKNOLL	065	TX 76656	LOTT
MARYLAND	061	TX 77455	LOUISE
MASONVILLE	061	TX 75851	LOVELADY
MASPETH	019	TX 76460	LOVING
MASTIC	076	TX 76855	LOWAKE
MC CONNELLSVILLE	086	TX 78568	LOZANO
MC DONOUGH	054	TX 79533	LUEDERS
MC GRAW	054	TX 77657	LUMBERTON
MC LEAN	054	TX 77863	LYONS
MECKLENBURG	054	TX 78052	LYTLE
MEDFORD	076	TX 75147	MABANK
MEDUSA	072	TX 75156	MABANK
MELLENVILLE	059	TX 78054	MACDONA
MELROSE	073	TX 77353	MAGNOLIA
MELVILLE	075	TX 77354	MAGNOLIA
MELVILLE	075	TX 77355	MAGNOLIA
MELVILLE	022	TX 76660	MALONE
MELVILLE	075	TX 78652	MANCHACA
MEMPHIS	038	TX 78653	MANOR
MENDON	039	TX 76063	MANSFIELD
MERIDALE	061	TX 77578	MANVEL
MERIDIAN	051	TX 79344	MAPLE
MIDDLE FALLS	067	TX 79842	MARATHON
MIDDLE GRANVILLE	067	TX 75566	MARIETTA
MIDDLE GROVE	016	TX 78124	MARION
MIDDLE ISLAND	076	TX 77456	MARKHAM
MIDDLEBURGH	072	TX 77865	MARQUEZ
MIDDLESEX	051	TX 78655	MARTINDALE
MIDDLEVILLE	067	TX 75958	MARTINSVILLE
MILFORD	061	TX 79535	MARYNEAL
MILL NECK	022	TX 79058	MASTERTON
MILLBROOK	058	TX 77457	MATAGORDA
MILLER PLACE	076	TX 75567	MAUD
MILLPORT	054	TX 77626	MAURICEVILLE
MINERVA	067	TX 78656	MAXWELL
MODENA	062	TX 76857	MAY
MOIRA	067	TX 75772	MAYDELLE
MONGAUP VALLEY	082	TX 76064	MAYPEARL
MONTAUK	076	TX 79752	MC CAMEY
MONTEZUMA	051	TX 79534	MC CAULLEY
MONTROSE	065	TX 78650	MC DADE
MOOERS	067	TX 76657	MC GREGOR
MOOERS FORKS	067	TX 75565	MC LEOD
MORIAH	067	TX 78651	MC NEIL
MORIAH CENTER	067	TX 78123	MC QUEENEY
MORICHES	076	TX 79243	MCADOO
MORRIS	061	TX 77973	MCFADDIN
MORRISONVILLE	067	TX 79345	MEADOW
MORRISTOWN	067	TX 78055	MEDINA
MORTON	048	TX 76370	MEGARGEL
MOTTVILLE	038	TX 75454	MELISSA

MOUNT SINAI	076	TX 76858	MELVIN
MOUNT TREMPER	061	TX 79754	MENTONE
MOUNT UPTON	054	TX 76940	MERETA
MOUNT VISION	061	TX 75458	MERIT
MOUNTAINVILLE	032	TX 76666	MERTENS
MUMFORD	039	TX 76941	MERTZON
MUNNSVILLE	086	TX 77974	MEYERSVILLE
NAPANOCH	062	TX 79059	MIAMI
NARROWSBURG	083	TX 78056	MICO
NATURAL BRIDGE	067	TX 77458	MIDFIELD
NEDROW	012	TX 79755	MIDKIFF
NELLISTON	052	TX 75852	MIDWAY
NESCONSET	075	TX 75959	MILAM
NEVERSINK	083	TX 76556	MILANO
NEW HAVEN	067	TX 76861	MILES
NEW HYDE PARK	021	TX 76670	MILFORD
NEW HYDE PARK	021	TX 76862	MILLERSVIEW
NEW KINGSTON	061	TX 77866	MILLICAN
NEW LEBANON	059	TX 76066	MILLSAP
NEW LISBON	061	TX 75680	MINDEN
NEW RUSSIA	067	TX 78125	MINERAL
NEW SUFFOLK	076	TX 76463	MINGUS
NEW YORK	018	TX 78369	MIRANDO CITY
NEW YORK	018	TX 77459	MISSOURI CITY
NEW YORK	018	TX 77489	MISSOURI CITY
NEW YORK	097	TX 79061	MOBEETIE
NEW YORK	018	TX 77580	MONT BELVIEU
NEW YORK	018	TX 76251	MONTAGUE
NEW YORK	018	TX 75853	MONTALBA
NEW YORK	018	TX 77316	MONTGOMERY
NEW YORK	018	TX 77356	MONTGOMERY
NEW YORK	018	TX 78057	MOORE
NEW YORK	018	TX 76464	MORAN
NEW YORK	018	TX 76671	MORGAN
NEW YORK	018	TX 76465	MORGAN MILL
NEW YORK	018	TX 79062	MORSE
NEW YORK	018	TX 75960	MOSCOW
NEW YORK	018	TX 77975	MOULTON
NEW YORK	018	TX 76558	MOUND
NEW YORK	018	TX 76673	MOUNT CALM
NEW YORK	018	TX 75681	MOUNT ENTERPRISE
NEW YORK	018	TX 78058	MOUNTAIN HOME
NEW YORK	018	TX 76252	MUENSTER
NEW YORK	018	TX 78949	MULDOON
NEW YORK	018	TX 76864	MULLIN
NEW YORK	018	TX 77867	MUMFORD
NEW YORK	018	TX 75778	MURCHISON
NEW YORK	018	TX 76253	MYRA
NEW YORK	018	TX 77460	NADA
NEW YORK	018	TX 75569	NASH
NEW YORK	018	TX 78059	NATALIA
NEW YORK	018	TX 76127	NAVAL AIR STATION JRB
NEW YORK	018	TX 79063	NAZARETH
NEW YORK	018	TX 75779	NECHES
NEW YORK	018	TX 77461	NEEDVILLE

NEW YORK	018	TX 76070 NEMO
NEW YORK	018	TX 75173 NEVADA
NEW YORK	018	TX 77870 NEW BADEN
NEW YORK	018	TX 77357 NEW CANEY
NEW YORK	018	TX 79350 NEW DEAL
NEW YORK	018	TX 79383 NEW HOME
NEW YORK	018	TX 75682 NEW LONDON
NEW YORK	018	TX 75780 NEW SUMMERFIELD
NEW YORK	018	TX 78950 NEW ULM
NEW YORK	018	TX 77358 NEW WAVERLY
NEW YORK	018	TX 76071 NEWARK
NEW YORK	018	TX 76372 NEWCASTLE
NEW YORK	018	TX 75966 NEWTON
NEW YORK	018	TX 79537 NOLAN
NEW YORK	018	TX 76559 NOLANVILLE
NEW YORK	018	TX 77629 NOME
NEW YORK	018	TX 78141 NORDHEIM
NEW YORK	018	TX 77871 NORMANGEE
NEW YORK	018	TX 78142 NORMANNA
NEW YORK	018	TX 77315 NORTH HOUSTON
NEW YORK	018	TX 76180 NORTH RICHLAND HILLS
NEW YORK	018	TX 76182 NORTH RICHLAND HILLS
NEW YORK	018	TX 77872 NORTH ZULCH
NEW YORK	018	TX 76865 NORTON
NEW YORK	018	TX 79759 NOTREES
NEW YORK	018	TX 79538 NOVICE
NEW YORK	018	TX 77976 NURSERY
NEW YORK	018	TX 79539 O BRIEN
NEW YORK	018	TX 77359 OAKHURST
NEW YORK	018	TX 78951 OAKLAND
NEW YORK	018	TX 78060 OAKVILLE
NEW YORK	018	TX 75855 OAKWOOD
NEW YORK	018	TX 79247 ODELL
NEW YORK	018	TX 79351 ODONNELL
NEW YORK	018	TX 76561 OGLESBY
NEW YORK	018	TX 78371 OILTON
NEW YORK	018	TX 76373 OKLAUNION
NEW YORK	018	TX 79540 OLD GLORY
NEW YORK	018	TX 77463 OLD OCEAN
NEW YORK	018	TX 76466 OLDEN
NEW YORK	018	TX 78575 OLMITO
NEW YORK	018	TX 75571 OMAHA
NEW YORK	018	TX 77360 ONALASKA
NEW YORK	018	TX 78372 ORANGE GROVE
NEW YORK	018	TX 77639 ORANGEFIELD
NEW YORK	018	TX 77464 ORCHARD
NEW YORK	018	TX 75683 ORE CITY
NEW YORK	018	TX 79770 ORLA
NEW YORK	018	TX 78658 OTTINE
NEW YORK	018	TX 79541 OVALO
NEW YORK	018	TX 78659 PAIGE
NEW YORK	018	TX 76866 PAINT ROCK
NEW YORK	018	TX 75152 PALMER
NEW YORK	018	TX 76484 PALO PINTO
NEW YORK	018	TX 76467 PALUXY

NEW YORK	018	TX 78143 PANDORA
NEW YORK	018	TX 78144 PANNA MARIA
NEW YORK	018	TX 75685 PANOLA
NEW YORK	018	TX 76073 PARADISE
NEW YORK	018	TX 77466 PATTISON
NEW YORK	018	TX 75468 PATTONVILLE
NEW YORK	018	TX 78145 PAWNEE
NEW YORK	018	TX 77581 PEARLAND
NEW YORK	018	TX 77584 PEARLAND
NEW YORK	018	TX 77588 PEARLAND
NEW YORK	018	TX 76485 PEASTER
NEW YORK	018	TX 75469 PECAN GAP
NEW YORK	018	TX 78062 PEGGY
NEW YORK	018	TX 76564 PENDLETON
NEW YORK	018	TX 76676 PENELOPE
NEW YORK	018	TX 78576 PENITAS
NEW YORK	018	TX 75856 PENNINGTON
NEW YORK	018	TX 79776 PENWELL
NEW YORK	018	TX 79353 PEP
NEW YORK	018	TX 76486 PERRIN
NEW YORK	018	TX 79250 PETERSBURG
NEW YORK	018	TX 76377 PETROLIA
NEW YORK	018	TX 78146 PETTUS
NEW YORK	018	TX 75470 PETTY
NEW YORK	018	TX 78660 PFLUGERVILLE
NEW YORK	018	TX 78691 PFLUGERVILLE
NEW YORK	018	TX 75471 PICKTON
NEW YORK	018	TX 77467 PIERCE
NEW YORK	018	TX 77362 PINEHURST
NEW YORK	018	TX 78063 PIPE CREEK
NEW YORK	018	TX 77977 PLACEDO
NEW YORK	018	TX 79355 PLAINS
NEW YORK	018	TX 77363 PLANTERSVILLE
NEW YORK	018	TX 77468 PLEDGER
NEW YORK	018	TX 78952 PLUM
NEW YORK	018	TX 75472 POINT
NEW YORK	018	TX 77978 POINT COMFORT
NEW YORK	018	TX 77364 POINTBLANK
NEW YORK	018	TX 75969 POLLOK
NEW YORK	018	TX 76259 PONDER
NEW YORK	018	TX 76869 PONTOTOC
NEW YORK	018	TX 76487 POOLVILLE
NEW YORK	018	TX 78373 PORT ARANSAS
NEW YORK	018	TX 77650 PORT BOLIVAR
NEW YORK	018	TX 78598 PORT MANSFIELD
NEW YORK	018	TX 77982 PORT O CONNOR
NEW YORK	018	TX 77365 PORTER
NEW YORK	018	TX 75076 POTTSBORO
NEW YORK	018	TX 76565 POTTSVILLE
NEW YORK	018	TX 75473 POWDERLY
NEW YORK	018	TX 75153 POWELL
NEW YORK	018	TX 75782 POYNOR
NEW YORK	018	TX 76678 PRAIRIE HILL
NEW YORK	018	TX 78661 PRAIRIE LEA
NEW YORK	018	TX 77446 PRAIRIE VIEW

NEW YORK	018	TX 79845	PRESIDIO
NEW YORK	018	TX 75687	PRICE
NEWCOMB	067	TX 76870	PRIDDY
NEWCOMB	067	TX 75407	PRINCETON
NEWFIELD	054	TX 76468	PROCTOR
NEWPORT	067	TX 78579	PROGRESO
NEWTON FALLS	067	TX 75078	PROSPER
NEWTONVILLE	013	TX 76679	PURDON
NIAGARA UNIVERSITY	014	TX 76566	PURMELA
NICHOLS	054	TX 76469	PUTNAM
NICHOLVILLE	067	TX 79777	PYOTE
NINEVEH	054	TX 79251	QUAIL
NIOBE	031	TX 75572	QUEEN CITY
NIVERVILLE	059	TX 78877	QUEMADO
NORTH BABYLON	075	TX 75474	QUINLAN
NORTH BANGOR	067	TX 79255	QUITAQUE
NORTH BAY	086	TX 75783	QUITMAN
NORTH BLENHEIM	061	TX 76077	RAINBOW
NORTH BOSTON	041	TX 75475	RANDOLPH
NORTH BRANCH	083	TX 79366	RANSOM CANYON
NORTH BROOKFIELD	054	TX 75858	RATCLIFF
NORTH CHATHAM	059	TX 75476	RAVENNA
NORTH CHILI	011	TX 77582	RAYWOOD
NORTH CREEK	067	TX 76680	REAGAN
NORTH EVANS	041	TX 78376	REALITOS
NORTH GRANVILLE	067	TX 75154	RED OAK
NORTH GREECE	011	TX 78662	RED ROCK
NORTH HOOSICK	073	TX 79846	REDFORD
NORTH HUDSON	067	TX 75573	REDWATER
NORTH JAVA	084	TX 75784	REKLAW
NORTH LAWRENCE	067	TX 76078	RHOME
NORTH NORWICH	054	TX 75155	RICE
NORTH PITCHER	054	TX 77873	RICHARDS
NORTH RIVER	067	TX 76681	RICHLAND
NORTH ROSE	051	TX 76871	RICHLAND SPRINGS
NORTH SALEM	065	TX 76682	RIESEL
NORTH TONAWANDA	014	TX 76261	RINGGOLD
OAK HILL	072	TX 78879	RIO FRIO
OAKDALE	075	TX 78066	RIO MEDINA
OAKLAND GARDENS	055	TX 76093	RIO VISTA
OAKS CORNERS	051	TX 77367	RIVERSIDE
OBERNBURG	083	TX 78379	RIVIERA
OCEAN BEACH	076	TX 76262	ROANOKE
ODESSA	054	TX 77875	ROANS PRAIRIE
OLD BETHPAGE	022	TX 79256	ROARING SPRINGS
OLD CHATHAM	059	TX 76872	ROCHELLE
OLIVEBRIDGE	061	TX 79544	ROCHESTER
OLMSTEDVILLE	067	TX 77470	ROCK ISLAND
ONTARIO	051	TX 76873	ROCKWOOD
ONTARIO CENTER	051	TX 76569	ROGERS
ORANGEBURG	068	TX 78584	ROMA
ORIENT	076	TX 77368	ROMAYOR
ORWELL	067	TX 76874	ROOSEVELT
OSWEGATCHIE	067	TX 79358	ROPESVILLE
OTEGO	061	TX 78953	ROSANKY

OTISVILLE	064	TX 77583	ROSHARON
OTTO	084	TX 76684	ROSS
OUAQUAGA	044	TX 75157	ROSSER
OVID	051	TX 76263	ROSSTON
OWLS HEAD	067	TX 78663	ROUND MOUNTAIN
PALATINE BRIDGE	052	TX 78954	ROUND TOP
PALISADES	068	TX 76875	ROWENA
PANAMA	031	TX 75030	ROWLETT
PARADOX	067	TX 75088	ROWLETT
PARISH	067	TX 75089	ROWLETT
PARISHVILLE	067	TX 75477	ROXTON
PARKSVILLE	083	TX 77369	RYE
PATTERSON	046	TX 77655	SABINE PASS
PATTERSONVILLE	009	TX 75048	SACHSE
PAUL SMITHS	067	TX 75788	SACUL
PAVILION	060	TX 76264	SADLER
PEARL RIVER	068	TX 78152	SAINT HEDWIG
PECONIC	076	TX 76571	SALADO
PENFIELD	011	TX 78585	SALINENO
PENNELLVILLE	067	TX 79847	SALT FLAT
PERKINSVILLE	084	TX 75478	SALTILLO
PERRYSBURG	084	TX 79077	SAMNORWOOD
PERU	067	TX 78384	SAN DIEGO
PETERBORO	086	TX 79849	SAN ELIZARIO
PETERSBURG	073	TX 77473	SAN FELIPE
PHILADELPHIA	074	TX 78588	SAN ISIDRO
PHILLIPSPORT	082	TX 78590	SAN PERLITA
PHOENICIA	061	TX 78067	SAN YGNACIO
PIERCEFIELD	067	TX 78383	SANDIA
PIERREPONT MANOR	074	TX 79078	SANFORD
PIFFARD	084	TX 78591	SANTA ELENA
PIKE	084	TX 77510	SANTA FE
PINE CITY	027	TX 77517	SANTA FE
PINE HILL	061	TX 78592	SANTA MARIA
PINE VALLEY	054	TX 78593	SANTA ROSA
PISECO	067	TX 76472	SANTO
PITCHER	054	TX 79780	SARAGOSA
PLAINVILLE	038	TX 77585	SARATOGA
PLATTEKILL	062	TX 78385	SARITA
PLESSIS	074	TX 76685	SATIN
PLYMOUTH	054	TX 75479	SAVOY
POESTENKILL	034	TX 78154	SCHERTZ
POINT LOOKOUT	020	TX 76573	SCHWERTNER
POLAND	067	TX 76379	SCOTLAND
POMONA	068	TX 75688	SCOTTSVILLE
POMPEY	038	TX 75480	SCROGGINS
POND EDDY	083	TX 75158	SCURRY
POPLAR RIDGE	051	TX 77586	SEABROOK
PORT GIBSON	051	TX 77983	SEADRIFT
PORT JEFFERSON STATION	076	TX 78594	SEBASTIAN
PORT KENT	067	TX 75689	SELMAN CITY
PORT LEYDEN	067	TX 79363	SHALLOWATER
PORTAGEVILLE	084	TX 79781	SHEFFIELD
PORTER CORNERS	016	TX 75973	SHELBYVILLE
PORTLANDVILLE	061	TX 77371	SHEPHERD

POTTERSVILLE	067	TX 76311 SHEPPARD AFB
POUGHQUAG	058	TX 77475 SHERIDAN
PRATTSBURGH	084	TX 77876 SHIRO
PRATTSVILLE	061	TX 76474 SIDNEY
PREBLE	054	TX 79851 SIERRA BLANCA
PRESTON HOLLOW	072	TX 76949 SILVER
PROSPECT	067	TX 79257 SILVERTON
PULTENEY	084	TX 75574 SIMMS
PULTNEYVILLE	051	TX 77476 SIMONTON
PURDYS	065	TX 79080 SKELLYTOWN
PURLING	061	TX 78389 SKIDMORE
PUTNAM STATION	067	TX 76267 SLIDELL
PUTNAM VALLEY	046	TX 78159 SMILEY
PYRITES	067	TX 79367 SMYER
QUAKER STREET	009	TX 77878 SNOOK
QUEENSBURY	036	TX 78069 SOMERSET
QUOGUE	076	TX 77659 SOUR LAKE
RAINBOW LAKE	067	TX 76481 SOUTH BEND
RAQUETTE LAKE	067	TX 78597 SOUTH PADRE ISLAND
RAY BROOK	067	TX 79258 SOUTH PLAINS
RAYMONDVILLE	067	TX 76092 SOUTHLAKE
READING CENTER	054	TX 76268 SOUTHMAYD
RED CREEK	051	TX 79369 SPADE
REDFIELD	067	TX 78669 SPICEWOOD
REDFORD	067	TX 77372 SPLENDORA
REDWOOD	074	TX 77373 SPRING
REGO PARK	055	TX 77379 SPRING
REMSEN	067	TX 77380 SPRING
REMSENBURG	076	TX 77381 SPRING
RENSSELAER FALLS	067	TX 77382 SPRING
RENSSELAERVILLE	072	TX 77383 SPRING
RETSOF	084	TX 77386 SPRING
REXFORD	071	TX 77387 SPRING
REXVILLE	084	TX 77388 SPRING
RICHBURG	084	TX 77389 SPRING
RICHFORD	054	TX 77391 SPRING
RICHLAND	067	TX 77393 SPRING
RICHMOND HILL	055	TX 78070 SPRING BRANCH
RICHMONDVILLE	061	TX 79082 SPRINGLAKE
RICHVILLE	067	TX 76082 SPRINGTOWN
RIDGE	076	TX 77660 SPURGER
RIDGEWOOD	055	TX 77477 STAFFORD
RIDGEWOOD	055	TX 77497 STAFFORD
RIPARIUS	067	TX 78670 STAPLES
ROCK CITY FALLS	016	TX 76880 STAR
ROCK HILL	081	TX 76951 STERLING CITY
ROCK STREAM	051	TX 78671 STONEWALL
ROCK TAVERN	032	TX 77661 STOWELL
RODMAN	067	TX 76475 STRAWN
ROMULUS	051	TX 75859 STREETMAN
ROOSEVELTOWN	067	TX 77986 SUBLIME
ROSCOE	083	TX 78595 SULLIVAN CITY
ROSE	051	TX 75481 SULPHUR BLUFF
ROSEBOOM	061	TX 79085 SUMMERFIELD
ROSEDALE	055	TX 75486 SUMNER

ROSLYN	021	TX 88063	SUNLAND PARK
ROSLYN HEIGHTS	021	TX 75182	SUNNYVALE
ROTTERDAM JUNCTION	009	TX 76270	SUNSET
ROUND TOP	061	TX 78161	SUTHERLAND SPRINGS
ROXBURY	061	TX 77987	SWEET HOME
RUBY	062	TX 79560	SYLVESTER
RUSH	039	TX 75487	TALCO
RUSHFORD	084	TX 76882	TALPA
RUSHVILLE	051	TX 78883	TARPLEY
RUSSELL	067	TX 79783	TARZAN
SABAEI	067	TX 75691	TATUM
SADDLE RIVER	068	TX 76686	TEHUACANA
SAGAPONACK	076	TX 76883	TELEGRAPH
SAINT ALBANS	055	TX 75488	TELEPHONE
SAINT BONAVENTURE	084	TX 77988	TELFERNER
SAINT JAMES	075	TX 79259	TELL
SAINT JOHNSVILLE	067	TX 75974	TENAHA
SAINT REGIS FALLS	067	TX 75861	TENNESSEE COLONY
SALISBURY CENTER	067	TX 75880	TENNESSEE COLONY
SALISBURY MILLS	032	TX 75884	TENNESSEE COLONY
SAND LAKE	073	TX 75886	TENNESSEE COLONY
SANDUSKY	084	TX 76953	TENNYSON
SANDY CREEK	067	TX 79852	TERLINGUA
SANGERFIELD	054	TX 73949	TEXHOMA
SARANAC	067	TX 73960	TEXHOMA
SARDINIA	041	TX 79087	TEXLINE
SAUQUOIT	054	TX 75056	THE COLONY
SAVANNAH	051	TX 77374	THICKET
SAVONA	084	TX 77989	THOMASTON
SAYVILLE	075	TX 77481	THOMPSONS
SCHAGHTICOKE	073	TX 76577	THORNDALE
SCHENEVUS	061	TX 76687	THORNTON
SCHODACK LANDING	073	TX 76578	THRALL
SCHROON LAKE	067	TX 78072	TILDEN
SCHUYLER FALLS	067	TX 76271	TIOGA
SCHUYLER LAKE	061	TX 77990	TIVOLI
SCIO	084	TX 79376	TOKIO
SCIPIO CENTER	051	TX 76476	TOLAR
SCOTTSBURG	084	TX 75489	TOM BEAN
SENECA CASTLE	051	TX 79853	TORNILLO
SEVERANCE	067	TX 78672	TOW
SHARON SPRINGS	061	TX 79785	TOYAH
SHELTER ISLAND HEIGHTS	076	TX 79786	TOYAHVALE
SHENOROCK	065	TX 79561	TRENT
SHERIDAN	031	TX 75490	TRENTON
SHIRLEY	076	TX 75163	TRINIDAD
SHOREHAM	076	TX 75789	TROUP
SHUSHAN	067	TX 76579	TROY
SIDNEY CENTER	061	TX 78162	TULETA
SILVER BAY	067	TX 79562	TUSCOLA
SILVER LAKE	084	TX 79563	TYE
SINCLAIRVILLE	031	TX 78391	TYNAN
SKANEATELES FALLS	038	TX 79091	UMBARGER
SLATE HILL	064	TX 78148	UNIVERSAL CITY
SLATERVILLE SPRINGS	054	TX 78884	UTOPIA

SLOANSVILLE	052	TX 79854	VALENTINE
SMITHBORO	054	TX 76884	VALERA
SMITHVILLE FLATS	054	TX 76885	VALLEY SPRING
SMYRNA	054	TX 76272	VALLEY VIEW
SODUS POINT	051	TX 75790	VAN
SOLSVILLE	054	TX 77482	VAN VLECK
SONYEA	084	TX 76955	VANCOURT
SOUTH BETHLEHEM	013	TX 77991	VANDERBILT
SOUTH BUTLER	051	TX 78885	VANDERPOOL
SOUTH BYRON	060	TX 79092	VEGA
SOUTH CAIRO	059	TX 76084	VENUS
SOUTH COLTON	067	TX 76886	VERIBEST
SOUTH DAYTON	084	TX 77663	VILLAGE MILLS
SOUTH JAMESPORT	076	TX 76887	VOCA
SOUTH KORTRIGHT	061	TX 78073	VON ORMY
SOUTH LIMA	084	TX 76888	VOSS
SOUTH NEW BERLIN	054	TX 77376	VOTAW
SOUTH OTSELIC	054	TX 77483	WADSWORTH
SOUTH OZONE PARK	055	TX 79093	WAKA
SOUTH PLYMOUTH	054	TX 78673	WALBURG
SOUTH RICHMOND HILL	055	TX 76957	WALL
SOUTH SALEM	065	TX 77484	WALLER
SOUTH WALES	041	TX 77485	WALLIS
SPARKILL	068	TX 77597	WALLISVILLE
SPARROW BUSH	064	TX 76690	WALNUT SPRINGS
SPECULATOR	067	TX 78960	WARDA
SPENCER	054	TX 78074	WARING
SPENCERTOWN	059	TX 77664	WARREN
SPEONK	076	TX 78961	WARRENTON
SPRING BROOK	042	TX 77880	WASHINGTON
SPRING GLEN	062	TX 75692	WASKOM
SPRINGFIELD CENTER	061	TX 76958	WATER VALLEY
SPRINGFIELD GARDENS	055	TX 79094	WAYSIDE
SPRINGWATER	051	TX 77598	WEBSTER
STAFFORD	060	TX 77993	WEESATCHE
STANFORDVILLE	058	TX 76388	WEINERT
STAR LAKE	067	TX 78674	WEIR
STEAMBURG	084	TX 79377	WELCH
STELLA NIAGARA	014	TX 77881	WELLBORN
STEPHENTOWN	073	TX 79378	WELLMAN
STEPHENTOWN	073	TX 75976	WELLS
STERLING	051	TX 78963	WEST POINT
STERLING FOREST	064	TX 79565	WESTBROOK
STOCKTON	031	TX 77994	WESTHOFF
STONE RIDGE	061	TX 75485	WESTMINSTER
STONY CREEK	067	TX 75097	WESTON
STORMVILLE	058	TX 79096	WHEELER
STOW	031	TX 77882	WHEELOCK
STRATFORD	067	TX 79097	WHITE DEER
STRYKERSVILLE	084	TX 75693	WHITE OAK
STUYVESANT	059	TX 79379	WHITEFACE
STUYVESANT FALLS	059	TX 75791	WHITEHOUSE
SUGAR LOAF	064	TX 79380	WHITHARRAL
SUMMIT	061	TX 78075	WHITSETT
SUMMITVILLE	082	TX 76490	WHITT

SUNNYSIDE	019	TX 79788	WICKETT
SURPRISE	059	TX 75977	WIERGATE
SWAIN	084	TX 79098	WILDORADO
SWAN LAKE	081	TX 78675	WILLOW CITY
SYLVAN BEACH	086	TX 75172	WILMER
SYOSSET	022	TX 79381	WILSON
TABERG	067	TX 78676	WIMBERLEY
TALLMAN	068	TX 75492	WINDOM
TAPPAN	068	TX 76389	WINDTHORST
THENDARA	067	TX 75493	WINFIELD
THERESA	074	TX 79566	WINGATE
THIELLS	068	TX 77665	WINNIE
THOMPSONVILLE	081	TX 75792	WINONA
THORNWOOD	065	TX 79567	WINTERS
THOUSAND ISLAND PARK	074	TX 75978	WODEN
THREE MILE BAY	074	TX 79382	WOLFFORTH
TILLSON	062	TX 75865	WOODLAKE
TIOGA CENTER	054	TX 75694	WOODLAWN
TIVOLI	058	TX 76491	WOODSON
TOMKINS COVE	068	TX 76712	WOODWAY
TONAWANDA	042	TX 78677	WRIGHTSBORO
TONAWANDA	042	TX 78886	YANCEY
TREADWELL	061	TX 75497	YANTIS
TRIBES HILL	035	TX 75980	ZAVALLA
TROUPSBURG	084	TX 76890	ZEPHYR
TROUT CREEK	061		
TRUXTON	054		
TULLY	054		
TUNNEL	044		
TURIN	067		
TYRONE	054		
UNINC DELAWARE COUNTY	061		
UNION HILL	051		
UNIONVILLE	064		
UPPER JAY	067		
UPTON	076		
VAILS GATE	032		
VALLEY COTTAGE	068		
VALLEY FALLS	067		
VAN BUREN POINT	031		
VAN ETTEN	054		
VAN HORNESVILLE	061		
VARYSBURG	084		
VERMONTVILLE	067		
VERNON CENTER	086		
VERONA BEACH	086		
VERPLANCK	065		
VERSAILLES	084		
VICTORY MILLS	016		
WACCABUC	065		
WADDINGTON	067		
WADING RIVER	076		
WAINSCOTT	076		
WALES CENTER	041		
WALKER VALLEY	062		

WALLKILL	032
WANAKENA	067
WANTAGH	020
WAPPINGERS FALLS	058
WARNERS	038
WARNERVILLE	061
WASHINGTON MILLS	015
WATER MILL	076
WATERPORT	047
WATTSBURG	031
WAWARSING	062
WAYNE	054
WELLESLEY ISLAND	074
WELLS	067
WELLS BRIDGE	061
WEST BABYLON	075
WEST BABYLON	075
WEST BLOOMFIELD	051
WEST BURLINGTON	061
WEST CHAZY	067
WEST CLARKSVILLE	084
WEST COXSACKIE	059
WEST DAVENPORT	061
WEST EATON	054
WEST EDMESTON	054
WEST FALLS	042
WEST FULTON	061
WEST HARRISON	095
WEST HEMPSTEAD	020
WEST HENRIETTA	011
WEST HURLEY	062
WEST ISLIP	075
WEST KILL	061
WEST LEBANON	059
WEST LEYDEN	067
WEST MONROE	067
WEST NYACK	068
WEST ONEONTA	061
WEST SAND LAKE	034
WEST SAYVILLE	075
WEST STOCKHOLM	067
WEST VALLEY	084
WEST WINFIELD	061
WESTBROOKVILLE	064
WESTDALE	067
WESTERLO	072
WESTERNVILLE	067
WESTFORD	061
WESTONS MILLS	084
WESTPORT	067
WESTTOWN	064
WEVERTOWN	067
WHIPPLEVILLE	067
WHITE LAKE	082
WHITE SULPHUR SPRINGS	081

WHITESVILLE	084
WILLARD	051
WILLET	054
WILLIAMSTOWN	067
WILLOW	061
WILLSBORO	067
WILLSEYVILLE	054
WILMINGTON	067
WINDHAM	061
WINGDALE	058
WINTHROP	067
WITHERBEE	067
WOODBOURNE	082
WOODBURY	022
WOODGATE	067
WOODHULL	084
WOODSIDE	055
WORCESTER	061
WYANDANCH	075
WYNANTSKILL	034
WYOMING	084
YAPHANK	076
YORK	084
YORKSHIRE	084
YOUNGSVILLE	081
YULAN	083

COMM_TERR	ST	ZIP	CITY	COMM_TERR
063	WA	98220	ACME	030
065	WA	99101	ADDY	028
063	WA	98522	ADNA	033
065	WA	99001	AIRWAY HEIGHTS	002
002	WA	99102	ALBION	029
064	WA	98524	ALLYN	031
065	WA	99103	ALMIRA	028
065	WA	98526	AMANDA PARK	031
007	WA	98601	AMBOY	032
065	WA	99401	ANATONE	029
062	WA	98303	ANDERSON ISLAND	033
063	WA	98602	APPLETON	028
046	WA	98811	ARDENVOIR	028
001	WA	98603	ARIEL	033
028	WA	98304	ASHFORD	033
028	WA	99402	ASOTIN	029
064	WA	98110	BAINBRIDGE ISLAND	033
065	WA	98224	BARING	033
064	WA	98527	BAY CENTER	033
032	WA	98305	BEAVER	031
065	WA	98528	BELFAIR	031
063	WA	99104	BELMONT	029
028	WA	99105	BENGE	028
063	WA	99321	BEVERLY	028
065	WA	99322	BICKLETON	028
063	WA	98605	BINGEN	028
063	WA	98222	BLAKELY ISLAND	033
027	WA	98391	BONNEY LAKE	033
056	WA	98232	BOW	030
043	WA	98812	BREWSTER	028
064	WA	98813	BRIDGEPORT	028
064	WA	98320	BRINNON	031
063	WA	98920	BROWNSTOWN	028
003	WA	98606	BRUSH PRAIRIE	032
027	WA	98530	BUCODA	033
064	WA	98921	BUENA	028
031	WA	98322	BURLEY	033
063	WA	98013	BURTON	033
063	WA	98282	CAMANO ISLAND	030
065	WA	98323	CARBONADO	033
024	WA	98324	CARLSBORG	031
004	WA	98814	CARLTON	028
046	WA	98014	CARNATION	033
022	WA	98609	CARROLLS	033
063	WA	98610	CARSON	033
063	WA	98612	CATHLAMET	033
065	WA	98613	CENTERVILLE	028
063	WA	99003	CHATTAROY	029
007	WA	98817	CHELAN FALLS	028
031	WA	98325	CHIMACUM	031
001	WA	98614	CHINOOK	033
064	WA	98533	CINEBAR	033
065	WA	98326	CLALLAM BAY	031
063	WA	99110	CLAYTON	029

061	WA 98235 CLEARLAKE	030
052	WA 98236 CLINTON	030
064	WA 99005 COLBERT	029
048	WA 99113 COLTON	029
064	WA 98819 CONCONULLY	028
038	WA 99326 CONNELL	028
063	WA 98238 CONWAY	030
004	WA 98535 COPALIS BEACH	031
004	WA 98536 COPALIS CROSSING	031
004	WA 98616 COUGAR	033
063	WA 99115 COULEE CITY	028
063	WA 98239 COUPEVILLE	030
013	WA 98923 COWICHE	026
064	WA 99117 CRESTON	028
055	WA 99118 CURLEW	028
063	WA 98538 CURTIS	033
063	WA 99119 CUSICK	028
063	WA 98240 CUSTER	030
065	WA 98617 DALLESPOUR	028
064	WA 99121 DANVILLE	028
064	WA 98243 DEER HARBOR	033
064	WA 98244 DEMING	030
065	WA 99329 DIXIE	029
044	WA 98539 DOTY	033
044	WA 98821 DRYDEN	028
064	WA 98019 DUVALL	033
063	WA 98540 EAST OLYMPIA	035
065	WA 98802 EAST WENATCHEE	028
064	WA 98925 EASTON	028
063	WA 98245 EASTSOUND	033
065	WA 99008 EDWALL	028
064	WA 98330 ELBE	033
054	WA 99123 ELECTRIC CITY	028
063	WA 99009 ELK	028
063	WA 99124 ELMER CITY	028
054	WA 99330 ELTOPIA	028
063	WA 99125 ENDICOTT	028
028	WA 97828 ENTERPRISE	029
063	WA 98822 ENTIAT	028
063	WA 98542 ETHEL	033
064	WA 99126 EVANS	028
063	WA 98247 EVERSON	030
063	WA 99012 FAIRFIELD	029
064	WA 98024 FALL CITY	033
063	WA 99128 FARMINGTON	029
065	WA 98003 FEDERAL WAY	023
065	WA 98023 FEDERAL WAY	023
032	WA 98063 FEDERAL WAY	023
065	WA 98093 FEDERAL WAY	023
063	WA 99013 FORD	028
063	WA 99014 FOUR LAKES	029
037	WA 98333 FOX ISLAND	033
064	WA 98249 FREELAND	030
065	WA 98250 FRIDAY HARBOR	033
063	WA 99129 FRUITLAND	028

063	WA 98544 GALVIN	033
063	WA 99130 GARFIELD	029
063	WA 98824 GEORGE	028
063	WA 99131 GIFFORD	028
063	WA 98329 GIG HARBOR	033
024	WA 98332 GIG HARBOR	033
012	WA 98335 GIG HARBOR	033
063	WA 98336 GLENOMA	033
064	WA 98619 GLENWOOD	028
064	WA 98251 GOLD BAR	030
053	WA 98338 GRAHAM	033
063	WA 98252 GRANITE FALLS	030
011	WA 98546 GRAPEVIEW	031
043	WA 98547 GRAYLAND	031
053	WA 98621 GRAYS RIVER	033
063	WA 98253 GREENBANK	030
065	WA 98255 HAMILTON	030
063	WA 98340 HANSVILLE	033
004	WA 98933 HARRAH	028
034	WA 99134 HARRINGTON	028
063	WA 99135 HARTLINE	028
064	WA 99136 HAY	029
014	WA 98622 HEISSON	032
063	WA 98025 HOBART	033
063	WA 98548 HOODSPORT	031
062	WA 99333 HOOPER	029
063	WA 98552 HUMPTULIPS	031
063	WA 99137 HUNTERS	028
063	WA 98623 HUSUM	028
064	WA 98624 ILWACO	033
064	WA 99138 INCHELIUM	028
063	WA 98256 INDEX	030
064	WA 98342 INDIANOLA	033
063	WA 99139 IONE	028
053	WA 98343 JOYCE	031
063	WA 99335 KAHLOTUS	028
016	WA 98344 KAPOWSIN	033
063	WA 99140 KELLER	028
064	WA 98028 KENMORE	001
041	WA 99141 KETTLE FALLS	028
064	WA 98345 KEYPORT	033
064	WA 98346 KINGSTON	033
064	WA 98934 KITTITAS	028
064	WA 98628 KCLICKITAT	028
063	WA 98629 LA CENTER	032
064	WA 98257 LA CONNER	030
002	WA 98348 LA GRANDE	033
002	WA 98350 LA PUSH	031
054	WA 98503 LACEY	035
052	WA 98509 LACEY	035
052	WA 99143 LACROSSE	029
065	WA 98349 LAKEBAY	033
063	WA 98439 LAKEWOOD	003
064	WA 98496 LAKEWOOD	003
063	WA 98497 LAKEWOOD	003

063	WA 98498 LAKEWOOD	003
063	WA 98499 LAKEWOOD	003
001	WA 99144 LAMONA	028
065	WA 99017 LAMONT	028
007	WA 98260 LANGLEY	030
064	WA 99018 LATAH	029
063	WA 99146 LAURIER	028
064	WA 98554 LEBAM	033
063	WA 99019 LIBERTY LAKE	002
032	WA 98555 LILLIWAUP	031
063	WA 99147 LINCOLN	028
063	WA 99341 LIND	028
021	WA 98556 LITTLEROCK	033
024	WA 98631 LONG BEACH	033
047	WA 98351 LONGBRANCH	033
064	WA 98397 LONGMIRE	033
064	WA 98827 LOOMIS	028
065	WA 99148 LOON LAKE	028
053	WA 98261 LOPEZ ISLAND	033
065	WA 98262 LUMMI ISLAND	030
063	WA 98635 LYLE	028
005	WA 98263 LYMAN	030
065	WA 98935 MABTON	028
060	WA 98828 MALAGA	028
063	WA 99149 MALDEN	029
054	WA 99150 MALO	028
004	WA 98559 MALONE	031
063	WA 98829 MALOTT	028
063	WA 98353 MANCHESTER	033
057	WA 98830 MANSFIELD	028
063	WA 98831 MANSON	028
058	WA 98266 MAPLE FALLS	030
064	WA 98038 MAPLE VALLEY	023
064	WA 98267 MARBLEMOUNT	030
063	WA 99151 MARCUS	028
003	WA 98832 MARLIN	028
063	WA 99020 MARSHALL	002
028	WA 98270 MARYSVILLE	012
002	WA 98271 MARYSVILLE	012
002	WA 98560 MATLOCK	031
064	WA 99349 MATTAWA	028
065	WA 98833 MAZAMA	028
052	WA 98438 MCCHORD AFB	003
063	WA 98557 MCCLEARY	031
065	WA 98558 MCKENNA	033
045	WA 99021 MEAD	002
063	WA 99022 MEDICAL LAKE	029
024	WA 98561 MENLO	033
046	WA 98040 MERCER ISLAND	001
001	WA 99343 MESA	028
004	WA 99152 METALINE	028
063	WA 99153 METALINE FALLS	028
063	WA 98834 METHOW	028
063	WA 99023 MICA	002
047	WA 98082 MILL CREEK	022

001	WA 98355	MINERAL	033
001	WA 98562	MOCLIPS	031
001	WA 99154	MOHLER	028
064	WA 98836	MONITOR	028
064	WA 98564	MOSSYROCK	033
063	WA 98043	MOUNTLAKE TERRACE	022
037	WA 98637	NAHCOTTA	033
037	WA 98565	NAPAVINE	033
037	WA 98638	NASELLE	033
064	WA 98357	NEAH BAY	031
065	WA 98566	NEILTON	031
064	WA 99155	NESPELEM	028
065	WA 99025	NEWMAN LAKE	002
063	WA 99026	NINE MILE FALLS	028
064	WA 98276	NOOKSACK	030
001	WA 98358	NORDLAND	031
023	WA 98045	NORTH BEND	033
065	WA 98639	NORTH BONNEVILLE	033
056	WA 98259	NORTH LAKEWOOD	030
046	WA 99157	NORTHPORT	028
063	WA 99158	OAKESDALE	029
063	WA 98568	OAKVILLE	031
002	WA 98640	OCEAN PARK	033
002	WA 98569	OCEAN SHORES	031
063	WA 98359	OLALLA	033
049	WA 83822	OLDTOWN	028
063	WA 98279	OLGA	033
044	WA 98570	ONALASKA	033
065	WA 98280	ORCAS	033
063	WA 99160	ORIENT	028
064	WA 98843	ORONDO	028
064	WA 98938	OUTLOOK	028
040	WA 98641	OYSTERVILLE	033
063	WA 98571	PACIFIC BEACH	031
063	WA 98361	PACKWOOD	033
065	WA 98845	PALISADES	028
063	WA 98398	PARADISE INN	033
064	WA 98939	PARKER	026
064	WA 98846	PATEROS	028
063	WA 99345	PATERSON	028
065	WA 98572	PE ELL	033
047	WA 98847	PESHASTIN	028
063	WA 99346	PLYMOUTH	028
053	WA 98281	POINT ROBERTS	030
053	WA 98364	PORT GAMBLE	033
007	WA 98339	PORT HADLOCK	031
065	WA 98365	PORT LUDLOW	031
002	WA 83854	POST FALLS	002
002	WA 99348	PRESCOTT	029
002	WA 98050	PRESTON	033
065	WA 83856	PRIEST RIVER	028
011	WA 98376	QUILCENE	031
063	WA 98575	QUINAULT	031
063	WA 98576	RAINIER	033
065	WA 98377	RANDLE	033

064	WA 98051	RAVENSDALE	033
042	WA 99029	REARDAN	028
064	WA 98378	RETSIL	008
063	WA 99167	RICE	028
063	WA 98642	RIDGEFIELD	032
063	WA 98849	RIVERSIDE	028
065	WA 98579	ROCHESTER	033
055	WA 98850	ROCK ISLAND	028
064	WA 99030	ROCKFORD	029
058	WA 98283	ROCKPORT	030
063	WA 98061	ROLLINGBAY	033
064	WA 98940	RONALD	028
024	WA 99356	ROOSEVELT	028
054	WA 99170	ROSALIA	029
003	WA 98643	ROSBURG	033
045	WA 98580	ROY	033
044	WA 99357	ROYAL CITY	028
063	WA 98581	RYDERWOOD	033
064	WA 99171	SAINT JOHN	029
056	WA 98582	SALKUM	033
063	WA 98074	SAMMAMISH	021
063	WA 98075	SAMMAMISH	021
065	WA 98583	SATSOP	031
016	WA 98380	SEABECK	033
063	WA 98644	SEAVIEW	033
065	WA 98381	SEKIU	031
047	WA 98286	SHAW ISLAND	033
063	WA 98287	SILVANA	030
063	WA 98585	SILVER CREEK	033
063	WA 98315	SILVERDALE	033
056	WA 98383	SILVERDALE	033
064	WA 98645	SILVERLAKE	033
064	WA 98647	SKAMOKAWA	033
065	WA 98288	SKYKOMISH	033
045	WA 98065	SNOQUALMIE	033
064	WA 98068	SNOQUALMIE PASS	028
064	WA 98851	SOAP LAKE	028
065	WA 98943	SOUTH CLE ELUM	028
053	WA 98384	SOUTH COLBY	033
063	WA 98385	SOUTH PRAIRIE	033
043	WA 98386	SOUTHWORTH	033
065	WA 99031	SPANGLE	029
052	WA 99032	SPRAGUE	028
027	WA 99173	SPRINGDALE	028
027	WA 98292	STANWOOD	030
027	WA 99359	STARBUCK	029
065	WA 98293	STARTUP	030
063	WA 98852	STEHEKIN	028
065	WA 99174	STEPTOE	029
063	WA 98648	STEVENSON	033
031	WA 98853	STRATFORD	028
060	WA 98294	SULTAN	030
005	WA 98295	SUMAS	030
005	WA 98352	SUMNER	005
065	WA 98390	SUMNER	005

063	WA 98392 SUQUAMISH	033
065	WA 98587 TAHOLAH	031
064	WA 98588 TAHUYA	031
064	WA 98589 TENINO	033
063	WA 97058 THE DALLES	028
064	WA 99176 THORNTON	029
038	WA 98946 THORP	028
022	WA 98947 TIETON	026
022	WA 98590 TOKELAND	033
027	WA 98591 TOLEDO	033
028	WA 98855 TONASKET	028
028	WA 99360 TOUCHET	029
027	WA 98649 TOUTLE	033
062	WA 98393 TRACYTON	033
063	WA 98650 TROUT LAKE	028
063	WA 99034 TUMTUM	028
038	WA 98856 TWISP	028
055	WA 98651 UNDERWOOD	033
065	WA 99107 UNINC FERRY COUNTY	028
063	WA 98592 UNION	031
056	WA 99179 UNIONTOWN	029
065	WA 98467 UNIVERSITY PLACE	003
059	WA 99180 USK	028
047	WA 98593 VADER	033
064	WA 99181 VALLEY	028
063	WA 99036 VALLEYFORD	002
064	WA 98950 VANTAGE	028
053	WA 98070 VASHON	033
022	WA 98394 VAUGHN	033
064	WA 99037 VERADALE	002
065	WA 98670 WAHKIACUS	028
065	WA 99361 WAITSBURG	029
064	WA 98297 WALDRON	033
064	WA 99363 WALLULA	029
063	WA 98857 WARDEN	028
034	WA 99371 WASHTUCNA	028
063	WA 98859 WAUCONDA	028
011	WA 98395 WAUNA	033
059	WA 99039 WAVERLY	029
016	WA 99040 WELLPINIT	028
063	WA 99353 WEST RICHLAND	018
063	WA 98595 WESTPORT	031
013	WA 98952 WHITE SWAN	028
065	WA 98396 WILKESON	033
065	WA 98860 WILSON CREEK	028
063	WA 98596 WINLOCK	033
061	WA 98862 WINTHROP	028
034	WA 98673 WISHRAM	028
032	WA 98072 WOODINVILLE	021
055	WA 98077 WOODINVILLE	021
065	WA 98675 YACOLT	032
063	WA 98597 YELM	033
065	WA 98953 ZILLAH	028
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**SELF-INSURED RETENTION ENDORSEMENT**

This endorsement modifies insurance provided under the following Coverage Forms:

- LAW ENFORCEMENT LIABILITY**
- PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY**
- EDUCATORS LEGAL LIABILITY AND EMPLOYMENT PRACTICES LIABILITY**

This endorsement changes the policy effective on the inception date of the policy unless another endorsement effective date is indicated below.

**SCHEDULE**

Self-Insured Retention	Per Wrongful Act
------------------------	------------------

This policy is subject to a Self-Insured Retention in the Per **Wrongful Act** amount set forth in the Schedule above. The **Wrongful Act** Self-Insured Retention may be met by the payment of **Claims Expenses, Damages** or a combination of both. The provisions of the policy apply unless modified by this endorsement. In the event of a conflict between or among the provisions set forth in this endorsement and the policy, the terms of this endorsement shall control. The provisions of this endorsement are conditions precedent that must be complied with in order for the policy's coverage to apply.

Some policies subject to this endorsement apply to **Claims** as defined in the policy while others apply to **Claims** and/or **Suits** as those terms are defined. Use of the term **Suit** in this endorsement does not alter, amend or change the policies which apply to **Claims**. Unless otherwise stated, the bolded terms in this endorsement shall have the same meaning as is given to those bolded terms in the policy.

1. **SELF-INSURED RETENTION**

The **Company's** obligation to pay **Claims Expenses** and **Damages** on behalf of the **Insured** applies only to amounts in excess of the applicable Self-Insured Retention shown in the above Schedule.

The Self-Insured Retention is primary and underlying to the insurance provided by the policy and can only be satisfied when the full amount of the retention is paid by the first **Named Insured**. After the first **Named Insured** has paid the amount of the applicable Self-Insured Retention, the **Company** will pay on the **Insured's** behalf, or reimburse the **Insured** for paying **Claims Expenses** or **Damages** in excess of the applicable Self-Insured Retention. The **Company's** payment of **Damages** shall be subject to the Limits of Liability shown in the Declarations for the policy.

In the event there is any other insurance applicable to a **Claim** or **Suit** within the Self-Insured Retention amount, the first **Named Insured** will continue to be responsible for the full Self-Insured Retention before the **Company** can be required to pay.

2. SELF-INSURED RETENTION PER WRONGFUL ACT

If a Per **Wrongful Act** Self-Insured Retention amount is shown in the above Schedule, it is a condition precedent to the **Company's** liability under the policy that the first **Named Insured** make actual payment of all **Claim Expenses** and **Damages** until the first **Named Insured** has paid the amount equal to the applicable Per **Wrongful Act** amount.

Payments by others, including but not limited to, additional insureds or other insurers, does not serve to reduce or satisfy the Self-Insured Retention. The Per **Wrongful Act** amount is the most the first **Named Insured** will pay for **Claims Expenses** and **Damages** arising out of a **Wrongful Act**.

3. LIMITS OF LIABILITY

The **Wrongful Act** Limit of Liability on the policy is excess over the **Wrongful Act** Self-Insured Retention.

4. OUR RIGHT TO REIMBURSEMENT

With respect to any **Claim** or **Suit** under this policy, the **Company** may, at its sole discretion, pay any or all of the Self-Insured Retention amount to defend or to effect a settlement. If the **Company** elects to pay the Self-Insured Retention amount, the first **Named Insured** must promptly reimburse the **Company** for such payment.

5. BANKRUPTCY OR INSOLVENCY

Satisfaction of the Self-Insured Retention amounts by the first **Named Insured** is a condition precedent to the **Company's** obligations and liability for amounts in excess of the Self-Insured Retention regardless of the first **Named Insured's** bankruptcy or insolvency or inability to pay. Accordingly, bankruptcy, insolvency, receivership, or any refusal or inability to pay will not operate to:

- A. Deplete or reduce the Self-Insured Retention; or
- B. Increase the **Company's** liability under this policy.

In no event will the **Company** assume the responsibility or obligations of the first **Named Insured** or any **Insured**.

6. CLAIMS ADMINISTRATION:

- A. As a condition precedent to coverage under the policy, the first **Named Insured** shall maintain a continuous contract with an Authorized Independent Claims Service Administrator ("AICSA") approved by the **Company** at the first **Named**

**Insured's** sole expense without reimbursement from the **Company**, for the purpose of providing claims handling services for the investigation, defense and settlement of **Claims, Suits** or other matters reported.

- B. Alternatively, the first **Named Insured** shall operate a self-administered claims program to provide claims handling services for the investigation, defense and settlement of **Claims, Suits** or other matters reported. Said self-administered claims program and the procedures for operating the program must be approved by the **Company** and operated at the first **Named Insured's** sole expense without reimbursement from the **Company**.
- C. Unless the Company elects to assume control, the AICSA or the self-administered claims program (if there is no AICSA) shall remain responsible for claims handling services after exhaustion of the Self-Insured Retention.

## 7. NOTICE AND COOPERATION CONDITIONS

Other than for policies issued as Claims Made Policies, the Notice and Cooperation Conditions of the policy are amended as follows:

- A. The **Named Insured** must see to it that the AICSA (or the manager of the approved self-administered claims program if there is no AICSA) is promptly notified of:
  - (1) A **Wrongful Act**;
  - (2) Any investigatory, administrative, disciplinary or criminal proceedings or notices of charges that may involve a **Wrongful Act** covered by this policy; and
  - (3) Circumstances that may reasonably be expected to result in a **Claim** or **Suit**.

Said notice must include particulars regarding the **Wrongful Act** or circumstances, the names and addresses of any injured parties, any witnesses and any involved **Insureds**.

- B. If **Claim** is made or **Suit** is brought against any **Insured**, such **Insured** and the **Named Insured** shall immediately notify the AICSA (or the manager of the approved self-administered claims program if there is no AICSA) and immediately send to the AICSA (or the manager of the approved self-insured claims administration program if there is no AICSA) every document, demand, notice, summons, or other process or legal papers received by the **Insured** or by the **Insured's** representatives.
- C. The **Insured** shall cooperate with the AICSA (or the manager of the approved self-administered claims program if there is no AICSA) and with the **Company** in any investigation and in the defense of any **Claim** or **Suit**, and upon the

**Company's** request, submit to examination by a representative of the **Company**, under oath if necessary, and attend hearings, depositions and trials, shall assist in any settlement process and assist in the securing and giving of a written statement or statements to claims representatives and defense counsel.

8. CLAIMS MADE POLICIES

The Notice and Reporting Conditions of Claims Made Policies remain as stated in the policies. However, after a matter is initially reported or a **Claim** is initially made, the investigation, defense and claims handling shall be conducted by the AICSA or by the approved self-administered claims program if there is no AICSA, subject to the Self-Insured Retention provisions and other terms of the policy and this endorsement.

9. ADDITIONAL REPORTING REQUIREMENTS

A. For all policies, including but not limited to Claims Made Policies, in addition to complying with the applicable Notice Conditions, the **Named Insured** or the AICSA, on the **Named Insured's** behalf, must immediately provide the **Company's** Claims Department with a captioned report of the following:

- (1) Any matter where **Claims Expenses** and/or **Damages** may or are likely to exceed 50% of the **Wrongful Act** Self-Insured Retention;
- (2) Any matter involving riots or civil unrest;
- (3) Any matter involving sexual abuse or molestation;
- (4) Any matter involving significant psychological involvement;
- (5) If the policy covers **Bodily Injury**, any matter involving:
  - a. Death;
  - b. Brain or spinal injury;
  - c. Amputation;
  - d. Loss of use of an eye or limb;
  - e. Severe burns involving more than 25% of the body;
  - f. Multiple fractures;
  - g. Permanent and/or total disability;
  - h. Significant neurological involvement;
  - i. Severe internal body organ damage or loss;

- j. Severe cosmetic deformity or disfigurement; and
  - k. A hospital stay of two weeks or longer.
- (6) Any matter involving a **Wrongful Act** that constitutes a **Wrongful Employment Practice**;
  - (7) An actual or alleged error or omission of the **Named Insured**, the AICSA, or the **Company** in the claims handling process;
  - (8) An actual or potential conflict of interest between the **Insured** and the **Company** or between the AICSA and the **Company**; and
  - (9) A coverage issue or dispute.
- B. For all policies, including but not limited to Claims Made Policies, the **Named Insured** or the AICSA, on the **Named Insured's** behalf, must:
- (1) Provide a summary of all claims, on a loss run form approved by the **Company**, on a monthly basis. This requirement also applies after cancellation or nonrenewal until all matters are closed or settled.
  - (2) Compliance with these reporting requirements is a condition precedent to coverage. In the event of non-compliance, the **Company** shall not be required to establish prejudice resulting from reporting non-compliance and shall be automatically relieved of liability with respect to any matter, **Claim** or **Suit** involved.

10. DEFENSE & SETTLEMENT:

- A. The first **Named Insured** and the AICSA shall exercise the utmost good faith and diligence in claims handling.
- B. The first **Named Insured** and the AICSA may not effect a settlement that exceeds the remaining Self-Insured Retention amount without the **Company's** written consent. If the **Company's** consent is not obtained, the **Company** shall have no obligation to provide coverage for that settlement or for the **Claim** or **Suit** involving that settlement.
- C. The **Company**, at its sole discretion, has the right but not the duty to associate itself in the defense of any **Claim** or **Suit**. The **Company**, at its sole discretion, shall also have the right to assume control over the investigation, defense or settlement of any **Claim** or **Suit** which, in the **Company's** sole judgment, may exceed the remaining Self-Insured Retention amount. If the **Company** avails itself of that right, the **Insured** must cooperate with the **Company**. In the event the **Company** retains its own counsel and incurs **Claim Expenses** in the exercise of its right to associate in or assume control over the defense, the first **Named**

**Insured** shall not be liable to reimburse the **Company** for the **Claim Expenses** incurred by the **Company's** own retained counsel. Should the **Company** settle such a **Claim** or **Suit** or should there be a judgment in such a **Claim** or **Suit**, the first **Named Insured** shall pay **Damages** up to the amount remaining in the Self-Insured Retention.

11. HOLD HARMLESS AGREEMENT:

The first **Named Insured** will defend, hold harmless and indemnify the **Company** for any and all damages, awards, judgments, attorney's fees or other costs or expenses which are incurred by or imposed upon the **Company** because of the acts or omissions of the first **Named Insured** or its employees, agents, self-administered claims program or independent contractors in the course of the investigation, settlement or handling of any matter, **Claim** or **Suit** under the policy.

Specimen

# PROPOSAL FORM FOR AUTOMOBILE LIABILITY & PHYSICAL DAMAGE

1. Proposed Insurer Safety National Casualty Corporation

2. Annual Premium: **(Deductible-Option Only)**

Automobile Liability:

	Deductibles	
<b>Combined Single Limit</b>	<b>\$100,000</b>	<b>\$150,000</b>
\$2,000,000		

Physical Damage (Community Action Agency/Head Start Vehicles/  
All County Trailers):

	Collision/Comprehensive Deductible
<b>Limits</b>	<b>\$5,000</b>
ACV	

Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No

Are all claims expenses included as a part of the liability deductible?  
 Yes  No

Once the deductible/SIR is met, expenses incurred by the company are outside the limit?  
 Yes  No

Has the policy been extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible/SIR?  
 Yes  No

3. Covered auto symbols used for:

a. Automobile Liability \_\_\_\_\_

b. Under/Uninsured Motorists \_\_\_\_\_

c. Physical Damage \_\_\_\_\_

4. Please indicate if extensions of coverage are included and additional premium, if any:

a. Coverage for fellow-employee liability claims.

Yes  No  Premium

- b. Coverage for contractual liability.  
 Yes     No    \_\_\_\_\_ Premium
- c. Insured contract definition includes short-term rentals.  
 Yes     No    \_\_\_\_\_ Premium
- d. Employees and elected or appointed officials as additional insureds for non-owned and hired cars.  
 Yes     No    \_\_\_\_\_ Premium
- e. Blanket waiver of subrogation.  
 Yes     No    \_\_\_\_\_ Premium
- f. Liability from pollutants released from covered vehicle.  
 Yes     No    \_\_\_\_\_ Premium
- g. Hired cars specified as autos you own.  
 Yes     No    \_\_\_\_\_ Premium
- h. Coverage for punitive damages.  
 Yes     No    \_\_\_\_\_ Premium
- i. Automatic additional insureds.  
 Yes     No    \_\_\_\_\_ Premium
- j. Automatic coverage for newly acquired vehicles.  
 Yes     No    \_\_\_\_\_ Premium
- k. Care, custody and control exclusion does not apply to passenger property.  
 Yes     No    \_\_\_\_\_ Premium
- l. Mexico limited coverage endorsement.  
 Yes     No    \_\_\_\_\_ Premium

5. Annual Premium: **(SIR-Option Only)**

Automobile Liability:

Combined Single Limit	Deductibles	
	\$100,000	\$150,000
\$2,000,000	\$82,692	\$75,516

Physical Damage:

Limits	Collision/Comprehensive Deductible
ACV	<del>\$1,000</del> \$5,000
	\$68,371

Quoted \$5,000 Comp/Collision  
As Per Specifications

Are premiums quoted net of commission(s) or any other fee(s)?  
           Yes       X   No

Are all claims expenses included as a part of the liability deductible?  
  X   Yes                No

6. Has the policy been extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible?  
  X   Yes                No

7. Agreed value comprehensive and collision quoted, subject to ~~\$1,000~~ deductible for Pierce Pumper Fire Truck (\$255,000) and F550 Super Duty Truck (\$85,000)?  
\$10,000 ded applies       X   Yes                No

8. Covered auto symbols used for:

a. Automobile Liability   1 & 8  

b. Under/Uninsured Motorists   2  

c. Physical Damage   10  

9. Please indicate if extensions of coverage are included and additional premium, if any:

a. Coverage for fellow-employee liability claims. Workers' Compensation is sole remedy in TX  
           Yes       X   No                Premium

b. Coverage for contractual liability.  
  X   Yes                No     Included Premium

c. Insured contract definition includes short-term rentals.  
  X   Yes                No     Included Premium

d. Employees and elected or appointed officials as additional insureds for non-owned and hired cars.  
  X   Yes                No     Included Premium

e. Blanket waiver of subrogation.  
  X   Yes                No     Included Premium

f. Liability from pollutants released from covered vehicle.  
  X   Yes                No     Included Premium

g. Hired cars specified as autos you own.  
  X   Yes                No     Included Premium

h. Coverage for punitive damages. When deemed insurable by the Courts  
  X   Yes                No     Included Premium



## EXCEPTION FORM FOR AUTOMOBILE LIABILITY & PHYSICAL DAMAGE

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions and/or additions to the specifications, by line of coverage. Failure to list the exceptions accurately could result in disqualification and rejection of your proposal.***

Safety National didn't include Limited Mexico Coverage. It is recommended the County purchase Mexico insurance before driving into Mexico with a County vehicle.

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/28/2020  
Date

# PROPOSAL FORM FOR EMPLOYMENT PRACTICES LIABILITY

1. Proposed Insurer Safety Specialty Insurance Company

2. Indicate premium for the following:

Limits	Deductible-Option Only	
	\$10,000	\$25,000
\$2,000,000/\$2,000,000		
\$2,000,000/\$4,000,000		

Limits	SIR-Option Only	
	\$10,000 \$100K SIR	\$25,000 \$150K SIR
\$2,000,000/\$2,000,000	Included with POL	Included with POL
\$2,000,000/\$4,000,000	Not Quoted	Not Quoted

Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No

3. Is coverage provided on an occurrence or a claims-made form?

Claims Made

4. Does coverage pick up the tail for the period 10/1/89 to 10/1/20 if written on an occurrence basis?

Yes  No

5. What is the premium (included above) for the tail coverage? N/A

6. If claims-made, indicate the retroactive date 10/1/1989

What is the additional premium to eliminate the retroactive date? N/A

7. Is the policy written on a "pay-on-behalf-of" basis?  Yes  No

8. Does your definition of "loss" encompass defense costs, damages such as front and back wages and benefits (other than insurance plan benefits), and judgments for related injury such as mental anguish?

Yes  No

If no, please explain \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

9. Has the policy been extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible/SIR?

Yes  No

10. Are defense costs outside the limits?

Yes  No

11. Does the policy contain an exclusion for any loss covered by other insurance?

Yes  No

12. Does the policy provide that interrelated wrongful acts that result in multiple claims are subject to one per-event deductible?

Yes  No

13. Does a coinsurance provision apply?

Yes  No

If yes, please indicate \_\_\_\_\_

14. Are public officials and employees included as insureds?

Yes  No

If no, please explain \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

15. Does your policy cover allegations involving tort liability associated with the discrimination, sexual harassment, wrongful termination, retaliation and other workplace torts as an insured event?

Yes  No

If no, please explain \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

16. Does your policy cover allegations related to the Americans With Disabilities Act?

Yes  No

If no, please explain. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

17. Is the notice-of-claim provision triggered if the County provides notice of circumstances that could give rise to a future claim?

Yes  No

If no, please explain \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

18. Indicate the extended reporting period and the additional cost \_\_\_\_\_  
One Year for 75%

19. Does the broker/agency or insurance company provide loss prevention assistance?  
 X  Yes   No

If yes, please describe. USI offers the Risk Management Center (RMC) which contains on-line trainings including sexual harassment and related HR topics. USI also offers access to our USI Connect which is powered by Zywave. USI Connect offers additional training resources and access to the Zywave database which contains HR related subjects. SNCC offers HR Essentials On-line training. Brochure submitted.

20. Does policy contain an exclusion or limitation of coverage with respect to the operation of schools; i.e., day care; Head Start; or alternative education?  
 X  Yes   No

Explain. The Webb County JJAEP is covered under a separate school leaders errors & omissions policy which has been quoted. SNCC will provide EPL for the Head Start & Day Care programs.

21. Please indicate if premium quoted is flat or auditable and composite rate.  
Flat

22. Please indicate method of premium payment (monthly, quarterly, annually, etc.).  
Annual

23. Indicate the term of the coverage. One Year

If more than one year, are rates fixed?   Yes   No

24. Is your quote contingent on writing any other line(s)?  X  Yes   No

If yes, what line(s)? GL, AL, APD, POL, LEL, XS Liability, EBL and XS WC

25. Are specimen policy forms and endorsements included?  X  Yes   No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/22/2020  
Date

## EXCEPTION FORM FOR EMPLOYMENT PRACTICES LIABILITY

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.***

Safety National didn't quote \$2M/\$M limits  
Safety National didn't quote \$10K, \$25K & \$50K retentions  
Basic Extended Reporting Period is 60 days not 90 days

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

## PROPOSAL FORM FOR GENERAL LIABILITY

1. Proposed Insurer Safety National Casualty Corporation
2. Is the policy written on an occurrence basis ISO approved form or equivalent?  
  X   Yes        No
3. Is coverage included for the following:
- a. Premises   X   Yes        No
  - b. Operations   X   Yes        No
  - c. Contractual   X   Yes        No
  - d. Products/Completed Operations   X   Yes        No
  - e. Independent Contractors   X   Yes        No
4. Estimated annual premium:

	Deductible-Only Option	
	\$100,000	\$150,000
Occurrence Limit— \$2,000,000		
Aggregate Limit— \$4,000,000		

Are premiums quoted net of commission(s) or any other fee(s)?

       Yes        No

Does deductible include allocated claims expenses?        Yes        No

5. Has the policy been extended to allow a reasonable agreed upon rate for work done by County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible/SIR?  
       Yes        No

6. Please indicate if the following extensions of coverage are included, and additional premium, if any:
- a. Failure to supply water and sewer.  
       Yes        No        Premium
  - b. Automatic waiver of subrogation.  
       Yes        No        Premium
  - c. Blanket contractual liability.  
       Yes        No        Premium





y. Coverage for corporal punishment at full limits.

Yes  No  Premium

7. Estimated annual premium:

	SIR-Only Option	
	\$100,000	\$150,000
Occurrence Limit— \$2,000,000	\$71,798 (TRIPRA = \$2,872)	\$64,949 (TRIPRA = \$2,598)
Aggregate Limit— \$4,000,000	Included	Included

Are premiums quoted net of commission(s) or any other fee(s)?

Yes  No

Does SIR include allocated claims expenses?  Yes  No

8. Please indicate if the following extensions of coverage are included, and additional premium, if any:

a. Failure to supply water and sewer.

Yes  No  Included  Premium

b. Automatic waiver of subrogation.

Yes  No  Included  Premium

c. Blanket contractual liability.

Yes  No  Included  Premium

d. Personal injury includes mental anguish, injury, shock, and humiliation.

Yes  No  Included  Premium

e. Bodily injury includes mental anguish, shock, humiliation, or emotional distress sustained in conjunction with a physical injury.

Yes  No  Included  Premium

f. Automatic additional insured provision.

Yes  No  Included  Premium

g. Host liquor liability coverage.

Yes  No  Included  Premium

h. Modified definition of occurrence (intentional acts).

Yes  No  Included  Premium

- i. Policy to read, "Acts committed by one insured shall not be construed to have been committed by another insured, unless such other insured actually ordered, ratified or otherwise condoned such act."  
 Yes  No Included Premium
- j. Employees included as insureds.  
 Yes  No Included Premium
- Volunteers included as insureds.  
 Yes  No Included Premium
- Golf cart users included as insureds.  
 Yes  No Included Premium
- k. Full coverage for any XCU hazard.  
 Yes  No Included Premium
- l. Broad form property damage.  
 Yes  No Included Premium
- m. Employee benefits liability (\$4,000,000 aggregate limit; \$100,000 and \$150,000 deductible/SIR).  
 Yes  No Included Premium
- Retroactive date (if claims made) 10/1/89
- n. Non-owned watercraft liability for boats less than fifty-one (51) feet long.  
 Yes  No Included Premium
- o. Coverage for punitive damages. When insurable as determined by the courts  
 Yes  No Included Premium
- p. Worldwide products/completed operations.  
 Yes  No Included Premium
- q. Pollution liability coverage contains:  
 - Hostile fire exception  
 Yes  No Included Premium  
 - HVAC equipment exception  
 Yes  No Included Premium  
 - Sudden and accidental  
 Yes  No Included Premium
- r. Personal/advertising injury assumed under a contract.  
 Yes  No Included Premium
- s. Incidental medical malpractice coverage for EMTs, paramedics, and coroner's office health professionals.  
 EMTs & Paramedics  
 Yes  No Included Premium

Coroner's Office  Yes  No  Included Premium

All Employees  Yes  No  Included Premium

t. Automatic coverage for newly acquired properties.

Yes  No  Included Premium

u. Coverage for alienated premises.

Yes  No  Included Premium

v. Liability for mobile equipment not covered by automobile liability insurance.

Yes  No  Included Premium

w. Coverage is on a "pay-on-behalf-of" basis.

Yes  No  Included Premium

x. Sexual abuse/molestation endorsement at full limits.

Yes  No  Included Premium

If no, has a separate quote for sexual abuse/molestation been proposed?

Yes  No  Premium

y. Coverage included for the application of herbicides and pesticides.

Yes  No  Included Premium

z. Coverage for corporal punishment at full limits.

Yes  No  Included Premium

9. Are defense costs outside the limits?  Yes  No

10. If defense coverage is not on a "first-dollar" basis, will costs incurred by the County apply toward meeting the deductible/SIR?

Yes  No

11. What experience modifier, if any, was used in this quotation? N/A

12. Please indicate if premium quoted is flat or auditable and composite rate.

Flat

13. Please indicate method of premium payment (monthly, quarterly, annually, etc.)

Annual

14. Indicate the term of the coverage One Year

If more than one year, are rates fixed?  Yes  No

15. Is your quote contingent on writing any other line(s)?  X  Yes   No

If so, what line(s)?  AL, APD, XS Liability, POL, EPLI, LEL, XS WC

---

16. Are specimen policy forms and endorsements included?  X  Yes   No

Robert S. Bookhammer   
Authorized Signature

USI Southwest, Inc.   
Company

7/21/2020   
Date

## EXCEPTION FORM FOR GENERAL LIABILITY

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions and/or additions to the specifications, by line of coverage. Failure to list the exceptions accurately could result in disqualification and rejection of your proposal.***

None known after review of specifications and SNCC GL quote.

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/21/2020  
Date

## PROPOSAL FORM FOR LAW ENFORCEMENT LIABILITY (OCCURRENCE FORM PREFERRED)

1. Proposed Insurer Safety Specialty Insurance Company
2. Estimated Annual Premium:

	Deductible-Only Option	
	\$100,000	\$150,000
Per-Occurrence Limits— \$2,000,000/\$2,000,000		
Aggregate Limits— \$2,000,000/\$4,000,000 \$3,000,000/\$6,000,000		

Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No

3. Is policy written on an occurrence basis?  Yes  No

4. If policy is a claims-made form, is a retroactive date applicable?  
 Yes  No

If so, specify the retroactive date. \_\_\_\_\_

5. Definition of deductible includes allocated claims expenses.  
 Yes  No

6. After the deductible is met, expenses incurred by the company in connection with any given claim are outside the limits.  Yes  No

7. Has the policy been extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible/SIR?  
 Yes  No

8. Please indicate if the following extensions of coverage are included, and additional premium, if any:
- a. "Occurrence" defined as an accident, happening, or event, and including acts committed to protect life or property.  
 Yes  No \_\_\_\_\_ Premium
- b. Personal injury and property damage coverage included.  
 Yes  No \_\_\_\_\_ Premium
- c. Punitive and exemplary damages covered.  
 Yes  No \_\_\_\_\_ Premium

If no, indicate charge to buy back punitive damage coverage.  
 \_\_\_\_\_





9. Estimated Annual Premium:

	SIR-Only Option	
	\$100,000	\$150,000
Per-Occurrence Limits— \$2,000,000/\$2,000,000	\$61,882.80	\$55,359.15
Aggregate Limits— \$2,000,000/\$4,000,000 \$3,000,000/\$6,000,000	Not Quoted	Not Quoted

Are premiums quoted net of commission(s) or any other fee(s)?

\_\_\_\_\_ Yes  No

10. Is policy written on an occurrence basis?  Yes \_\_\_\_\_ No

11. If policy is a claims-made form, is a retroactive date applicable?  
\_\_\_\_\_ Yes \_\_\_\_\_ No

If so, specify the retroactive date. \_\_\_\_\_

12. Definition of losses retained includes allocated claims expenses.  
\_\_\_\_\_  Yes \_\_\_\_\_ No

13. After the SIR is met, expenses incurred by the company in connection with any given claim are outside the limits.  Yes \_\_\_\_\_ No

14. Has the policy been extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible/SIR?  
\_\_\_\_\_  Yes \_\_\_\_\_ No

15. Please indicate if the following extensions of coverage are included, and additional premium, if any:

a. "Occurrence" defined as an accident, happening, or event, and including acts committed to protect life or property.

\_\_\_\_\_  Yes \_\_\_\_\_ No Included Premium

b. Personal injury and property damage coverage included.

\_\_\_\_\_  Yes \_\_\_\_\_ No Included Premium

c. Punitive and exemplary damages covered. When allowed by the courts

\_\_\_\_\_  Yes \_\_\_\_\_ No Included Premium

If no, indicate charge to buy back punitive damage coverage.

\_\_\_\_\_

d. Volunteers covered. \_\_\_\_\_  Yes \_\_\_\_\_ No Included Premium

e. Coverage for claims by an insured against another insured.  
\_\_\_\_\_ Yes \_\_\_\_\_  No \_\_\_\_\_ Premium

- f. Definition of Personal Injury includes civil rights.  
 Yes     No     Premium
- g. Knowledge of occurrence endorsement.  
 Yes     No     Premium
- h. Insurer will not seek governmental immunity defense unless agreed to by the County.  
 Yes     No     Included     Premium
- i. "Pay-on-behalf-of" basis.  
 Yes     No     Included     Premium
- j. Coverage applies to service performed under interlocal cooperative agreements.  
 Yes     No     Included     Premium
- k. Authorized "moonlighting" is covered.  
 Yes     No     Included     Premium
- l. Liability for bodily injury while in custody of law enforcement officer.  
 Yes     No     Included     Premium
- m. Liability for healthcare professionals. Medical doctors/surgeons excluded.  
 Yes     No     Premium  
All employees at Coroner's office, including medical doctors.  
 Yes     No     Premium  
All other employees, except medical doctors.  
 Yes     No     Premium
- n. Coverage applies to United States activities.  
 Yes     No     Included     Premium
- o. Coverage applies to emergency calls (i.e.; "911" calls).  
 Yes     No     Included     Premium
- p. Wrongful entry, eviction or other invasion of other rights of primary occupancy.  
 Yes     No     Included     Premium
- q. Libel, slander, entrance in violation of the right of privacy.  
 Yes     No     Included     Premium

- r. Assault and battery.  
 Yes     No    Included Premium
- s. Liability arising from actual or alleged negligence, errors or omissions, breaches of duty or malfeasance.  
 Yes     No    Included Premium
- t. First-aid, failure to render medical assistance.  
 Yes     No    Included Premium
- u. Violation of property rights.  
 Yes     No    Included Premium
- v. Alleged criminal acts.     Yes     No    \_\_\_\_\_ Premium
- w. Bodily injury while in jail (i.e., jail fires). CGL or LEL would respond.  
 Yes     No    Included Premium
- x. Damage to tangible property.  
 Yes     No    Included Premium
- y. Pays for defense in the case of questionable or possibly excluded claims  
 Yes     No    \_\_\_\_\_ Premium
- (i) Coverage applies to communicable diseases, including AIDS.  
 Yes     No    \_\_\_\_\_ Premium
- (ii) Coverage for civil rights violation damages arising out of hot pursuit chases involving the following:
- |             |   |                             |                 |         |
|-------------|---|-----------------------------|-----------------|---------|
| Automobiles | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <u>Included</u> | Premium |
| Aircraft    | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <u>Included</u> | Premium |
| Watercraft  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <u>Included</u> | Premium |
- (iii) Coverage included for damages arising out of the management of automobiles not otherwise covered in the auto policy. Please clarify your question.  
 Yes     No    \_\_\_\_\_ Premium
- (iv) Coverage included for damage to commandeered vehicles and misuse of a motor vehicle.  
 Yes     No    Included Premium
- (v) Coverage included for damage to property or others in the County's care, custody or control.  
 Yes     No    Included Premium
16. Will defense coverage apply on a "first-dollar" basis?     Yes     No  
 If no, will defense costs apply to the deductible?     Yes     No

17. Does the policy provide the following supplementary payments?
- |   |                  |                  |
|---|------------------|------------------|
| a. Premiums on appeal bonds   | <u>  X  </u> Yes | <u>      </u> No |
| b. Interest on judgment   | <u>  X  </u> Yes | <u>      </u> No |
| c. Reasonable first-aid expense                                     | <u>  X  </u> Yes | <u>      </u> No |
| d. Expenses incurred in assisting the company in defense of a claim | <u>  X  </u> Yes | <u>      </u> No |
| e. Are these in addition to the policy limits?                      | <u>  X  </u> Yes | <u>      </u> No |

18. Please answer each item. **YES** means covered while acting within the scope of County duties with no limitations. **NO** means not covered under this policy for any coverage parts regardless of the scope of duties. **LIMITED** means coverage may be available while acting within the scope of duties, but **limitations are noted in the attached sheet.**

- a. Who is insured?
- X   Webb County as a legal entity
  - X   Elected officials
  - X   Appointed officials
  - X   Individual law enforcement officers
  - X   Jailers
  - X   Dispatchers
  - X   Volunteers
  - X   Attorneys within the scope of Webb County duty
  - X   Municipal judges within the scope of Webb County duty
  - X   Municipal clerks within the scope of Webb County duty
  - X   Fire Marshal and Deputy Fire Marshal
  - X   Employees of the Coroner's Office
- b. Police Professional?
- X   Intentional acts
  - X   Intentional infliction of emotional stress
  - X   Intentional assault and battery
  - X   Excessive use of force
  - X   False arrest, detention or imprisonment
  - Malicious prosecution
  - X   Discrimination
  - Humiliation
  - X   False or improper service of process
  - X   Civil Rights violations under 42 U.S.C. 1983 and 1985
  - Attorneys' fees awarded under U.S.C.A. 1988
  - X   Intentional or negligent discharge of firearms
  - Prior occurrences when recorded during policy period
  - X   Failure to render medical assistance or aid
  - X   Services by healthcare professional employees  
SNCC will cover jailers, nurses, typical medical staff performing basic medical needs. They will not cover doctors/surgeons performing major medical surgeries.

19. Does policy contain an extended discovery provision? N/A \_\_\_\_\_ Yes \_\_\_\_\_ No

If so, what is the period of time for the extended discovery coverage?

\_\_\_\_\_

20. What is the additional premium for extended discovery option?

\_\_\_\_\_

21. Please indicate if premium quote is flat or auditable and composite rate.

Flat

\_\_\_\_\_

22. Please indicate method of premium payment (monthly, quarterly, etc.).

Annual

\_\_\_\_\_

23. Indicate the term of coverage One Year

\_\_\_\_\_

If more than one year, are rates fixed? \_\_\_\_\_ Yes \_\_\_\_\_ No

Explain any applicable premium audits and adjustments that will be required annually.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

24. Is your quote contingent on writing any other line(s)? X Yes \_\_\_\_\_ No

If so, what line(s)? GL, AL, APD, POL, EPL, XS Liability XS WC & EBL

\_\_\_\_\_

25. Are specimen policy forms and endorsements included? X Yes \_\_\_\_\_ No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/21/2020  
Date

## EXCEPTION FORM FOR LAW ENFORCEMENT LIABILITY

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions and/or additions to the specifications, by line of coverage. Failure to list the exceptions accurately could result in disqualification and rejection of your proposal.***

All as per our responses to the Coverage Questionnaire.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

## PROPOSAL FORM FOR PUBLIC OFFICIALS LIABILITY

1. Proposed Insurer Safety Specialty Insurance Company
2. Please show premiums for the following claims-made coverage, including EPL:

Limits	Deductible-Option Only		
	\$100,000	\$150,000	Indicate Retro Date
\$2,000,000/\$2,000,000			
\$2,000,000/\$4,000,000			

Limits	SIR-Option Only		
	\$100,000	\$150,000	Indicate Retro Date
\$2,000,000/\$2,000,000	\$49,846.65	\$44,467.50	10/01/1989
\$2,000,000/\$4,000,000			

Are premiums quoted net of commission(s) or any other fee(s)?        Yes   X   No

3. Is coverage written on an occurrence basis?        Yes   X   No

4. Does coverage pick up the tail for the period 10/1/89 to 10/1/20 if written on an occurrence basis?        Yes   X   No

5. What is the premium (included above) for the tail coverage?       N/A      

6. If coverage is written on a claims-made basis, is the retro date 10/1/89?   X   Yes        No

7. Does definition of deductible and/or SIR include allocated claims expense?   X   Yes        No

8. Once the deductible/SIR is met, company incurred expenses are outside the limits.   X   Yes        No

9. Has the policy been extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's deductible/SIR?   X   Yes        No

10. Please indicate if extensions are included and any additional premium, if any:
- a. Liability arising from actual or alleged negligence, errors or omissions, breach of duty, malfeasance, misfeasance, or nonfeasance of any insured.
- X   Yes        No        Included        Premium

- b. Damages for violation of civil rights.  Yes  No Included Premium
- c. Claims against attorney, judge, architect, medical personnel, engineer, or accountant acting within the scope of professional duties as employees of the County.  Yes  No Included Premium
- d. Claims seeking relief in forms other than monetary damages.  Yes  No \_\_\_\_\_ Premium
- e. Faulty preparation of RFP specifications.  Yes  No \_\_\_\_\_ Premium,
- f. Claims for intentional acts.  Yes  No Included Premium
- g. Defense in the case of questionable or possibly excluded claims.  Yes  No Included Premium
- h. Alleged or actual antitrust violations.  Yes  No \_\_\_\_\_ Premium
- i. Claims arising out of real-estate zoning matters or issues. Yes Included
- j. Failure to maintain insurance.  Yes  No \_\_\_\_\_ Premium
- k. Sexual harassment.  Yes  No \_\_\_\_\_ Premium  
Covered by EPL policy
11. Does coverage provide twelve-month extended discovery provision?  Yes \_\_\_\_\_ No
- If so, what is the cost to exercise? 75% of the annual premium
- Can this clause be exercised by Webb County in the event the County chooses to cancel or not renew?  Yes \_\_\_\_\_ No
12. Is coverage applicable to the operation of:
- |                                     |   |          |
|-------------------------------------|---|----------|
| Water/Sewer Utilities               | <input checked="" type="checkbox"/> Yes | _____ No |
| Transit Operations                  | <input checked="" type="checkbox"/> Yes | _____ No |
| Schools, Day Care, Head Start, etc. | <input checked="" type="checkbox"/> Yes | _____ No |
- State exceptions, if any \_\_\_\_\_
- \_\_\_\_\_
13. Are punitive and exemplary damages covered? \* Yes \_\_\_\_\_ No
- If no, indicate additional premium to buy back punitive damage coverage.
- \*Where deemed insurable by the courts.

14. Does the policy include coverage for insured vs. insured claims?  
 Yes  No

15. Does the policy include coverage for employment-related practices?  
Covered by EPL policy  Yes  No

If yes, please also complete the separate EPL proposal form herein.

Indicate EPL premiums on the separate EPL proposal form. **Do not include the EPL premiums in the POL proposal form.**

16. Are defense costs covered in addition to the policy limits in the proposed form?  
 Yes  No

17. Will defense coverage apply on a "first-dollar" basis?  
 Yes  No

18. If defense costs are not on a "first-dollar" basis, will cost incurred by Webb County apply toward meeting the deductible or SIR?  
 Yes  No

19. Does the policy provide the following supplementary payments?  
a. Premiums on appeal bond  Yes  No  
b. Interest on judgments  Yes  No  
c. Expenses incurred in assisting Webb County in defense of a claim.  
 Yes  No

Are these in addition to the policy limits?  Yes  No

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

20. Is coverage provided for real-estate zoning matters?  Yes  No

Explain \_\_\_\_\_  
\_\_\_\_\_

21. Please answer each item as follows: **YES** means covered while acting within the scope of Webb County's duties with no limitations; **NO** means not covered under this policy for any coverage parts regardless of the scope of duties; and **LIMITED** means coverage may be available while acting within the scope of duties, but limitations are noted in the attached sheet.

- |  |            |  |
|--|------------|--|
| a. Who is insured?                             | <u>Yes</u> | Webb County as legal entity  |
|  | <u>Yes</u> | Board and commissions of the County  |
|  | <u>Yes</u> | Any legal entity owned or operated by the County   |
| b. Officials?                                  | <u>Yes</u> | Any elected officials  |
|  | <u>Yes</u> | Any appointed officials  |
|  | <u>Yes</u> | Any officer or director of the County  |
| c. Employees?                                  | <u>Yes</u> | Any employee   |
|  | <u>Yes</u> | Service on boards at County's request  |
|  | <u>Yes</u> | Attorney, judge or accountant within the scope of County duties  |
|  | <u>Yes</u> | Architect or engineer within the scope of County duties  |
| d. Volunteers?                                 | <u>Yes</u> | Any volunteers   |
| e. Others?                                     | <u>Yes</u> | Heirs and legal representatives of insured   |
| f. What damages are covered for bodily injury? | <u>No</u>  | Bodily injury, sickness, disease, death  |
|  | <u>No</u>  | Care disability, loss of service   |
|  | <u>No</u>  | Humiliation, mental anguish, or injury<br>Arising solely from use of reasonable force to protect persons and/or property |
|  | <u>No</u>  | Due to rendering or failure to render any professional services  |
| g. Property damage?                            | <u>No</u>  | Injury to or destruction of tangible property  |
|  | <u>No</u>  | Loss of use of injured or destroyed property   |
|  | <u>No</u>  | Loss of use of property not injured or destroyed resulting from an occurrence  |
|  | <u>No</u>  | Property of others in the care, custody or control of named insured  |
|  | <u>No</u>  | Due to rendering or failure to render any professional services  |
|  | <u>No</u>  | Resulting from hazardous properties of nuclear materials   |
| h. Personal injury?                            | <u>No</u>  | Defamation, libel and slander EPL or GL  |
| Covered in EPL                                 | <u>No</u>  | Violation of civil rights  |
| Covered in EPL                                 | <u>No</u>  | Invasion of private occupancy GL   |
| Covered in LEL Policy                          | <u>No</u>  | Invasion of right of privacy   |
| Covered in LEL Policy                          | <u>No</u>  | False arrest, imprisonment and detention   |
| Covered in LEL Policy                          | <u>No</u>  | Malicious prosecution Covered in LEL policy  |
| Covered in EPL Policy                          | <u>No</u>  | Wrongful injury or eviction  |
| Covered in EPL Policy                          | <u>No</u>  | Wrongful termination   |
| Covered in EPL Policy                          | <u>No</u>  | Discrimination arising out of employment<br>Or prospective employment  |
| Covered in EPL Policy                          | <u>No</u>  | Sexual harassment  |

22. Please indicate if premium quoted is flat or auditable and composite rate.

Flat

---

23. Please indicate method of premium payment (monthly, quarterly, annually, etc.)

Annual

---

24. Indicate the term of the coverage One Year

---

If more than one year, are rates fixed?            Yes            No

25. Is your quote contingent on writing any other line(s)?   X   Yes            No

If so, what line(s)? GL, AL, APD, EPL, LEL, Excess Liability & XS WC

---

26. Are specimen policy forms and endorsements included?   X   Yes            No

Robert S. Bookhammer  
Authorized Signature

USI Southwst, Inc.  
Company

7/22/2020  
Date

## EXCEPTION FORM FOR PUBLIC OFFICIALS LIABILITY

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.***

There is an applicable Insured vs. Insurance exclusion however, with respect to a claim alleging a Wrongful Employment Practice, this exclusion shall only apply to crossclaims counter claims brought by one Insured against another Insured.

Failure to maintain insurance is excluded.

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/22/2020  
Date

## PROPOSAL FORM FOR UMBRELLA LIABILITY

1. Proposed Insurer Safety National Casualty Corporation

2. Annual Premium

Limits	Premium	SIR	
\$3,000,000	\$57,974 (TRIA = \$2,319)	\$100,000	\$150,000 SIR \$52,285 (TRIA = \$2,019)
\$5,000,000	\$83,072 (TRIA = \$3,323)	\$100,000	\$74,931 (TRIA = \$2,997)

Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No

3. Does the program include the underlying insurance clause?  
 Yes  No

4. Does the program provide coverage on a "pay-on-behalf-of" basis or on an "indemnification" basis?  
Pay on Behalf Of

5. Please indicate if coverage is extended to include the following and any applicable premium:

- a. First dollar defense when no underlying insurance  
 Yes  No  Premium
- b. Punitive damages When deemed insurable by the courts  
 Yes  No Included Premium
- c. Sudden & accidental pollution  
 Yes  No  Premium
  - (1) Injury to employees from pollution occurrences TX WC is sole remedy.  
 Yes  No  Premium
  - (2) Smoke, fumes and heat from HVAC equipment or a hostile fire  
 Yes  No Included Premium
  - (3) Pollutants released from a vehicle as a result of an accident  
 Yes  No Included Premium
  - (4) Pollutants released from mobile equipment as a result of an accident  
 Yes  No Included Premium
  - (5) Pollution liability from products/completed operations claims  
 Yes  No  Premium
  - (6) Pollution liability arising out of building heating and/or cooling equipment  
 Yes  No Included Premium
  - (7) Pollution liability arising out of short-term events  
 Yes  No  Premium

- (8) Following-form pollution in the CGL  
 Yes  No Included Premium
- d. A broad definition of personal injury. As per underlying GL  
 Yes  No Included Premium
- e. Definition of occurrence applies to “injury or property damage committed to protect property”  
 Yes  No Included Premium
- f. Worldwide coverage  
 Yes  No Included Premium
- g. Non-owned watercraft liability  
 Yes  No Included Premium
- h. Automatic coverage for additional insureds  
 Yes  No Included Premium
- i. Blanket waiver of subrogation  
 Yes  No Included Premium
- j. Following form of all underlying coverage.  
 Yes  No Included Premium
6. Amendment of underlying insurance provisions.  
 Yes  No  Premium
7. Umbrella provides coverage over:
- a. General Liability  Yes  No
- b. Automobile Liability  Yes  No
- c. Employers Liability  Yes  No
- d. Employee Benefits Liability  Yes  No
- e. Public Official’s Liability  Yes  No
- f. Law Enforcement Liability  Yes  No
8. a. Is premium flat or auditable?  
Flat
- b. If auditable, what is the exposure basis?  
Not Applicable
- c. What is the composite rate?  
Not Applicable

d. What premium discount was used?

Not Applicable

9. Please explain any dividend plan used.

Not Applicable

10. Please indicate method of premium payment (monthly, quarterly, annually, etc.).

Annual

11. Indicate the term of the coverage. One Year

If more than one year, are rates fixed?            Yes            No

12. Is your quote contingent on writing any other line(s)?   X   Yes            No

If yes, what line(s)?   GL, AL, APD, POL, EPLI, LEL and XS WC  

13. Are specimen policy forms and endorsements included?   X   Yes            No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/28/2020  
Date

## EXCEPTION FORM FOR UMBRELLA LIABILITY

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.***

Safety National quoted an Excess Liability policy in lieu of an Umbrella liability policy

Sexual Abuse is excluded in the Excess Liability policy

Robert S. Bookhammer  
\_\_\_\_\_  
Authorized Signature

USI Southwest, Inc.  
\_\_\_\_\_  
Company

7/28/2020  
Date

# PROPOSAL FORM FOR EXCESS WORKERS COMPENSATION

1. Proposed Insurer Safety National Casualty Corporation
2. Please show premiums for the basic program with no annual aggregate stop-loss feature:

Limits	Self-Insured Retention
	<b>\$500,000 and \$600,000 (As outlined in item 1 on the previous page)</b>
Employers Liability \$2,000,000	\$129,696
Workers Comp Texas Statutory Benefits	Included
<b>TOTAL:</b>	<b>\$129,696</b>

- a. Are premiums quoted net of commission(s) or any other fee(s)?            Yes   X   No
  - b. Explain the annual aggregate stop-loss included with your proposal.  
          Underwriting specifications didn't require an annual aggregate  
          stop loss be quoted.
  - c. Are any of the premiums subject to audit?   X   Yes            No  
 If so, please indicate on what basis.   Annual
  - d. Do any of the premiums have a minimum?   X   Yes            No  
 If so, please indicate.   100% Minimum Earned
3. a. Please indicate the numbers of years for program.   One Year
  - b. Are the rates fixed for the life of the program?            Yes            No
4. a. Are losses and claims costs included within SIR/deductible?  
  X   Yes            No
  - b. Are defense costs outside the limit?   X   Yes            No
5. Any restrictions defining who is the TPA?   X   Yes            No  
 If yes, please explain.   TPA must be on the Safety National approved list

6. a. The date of occurrence is defined as the date established by the laws of the Appropriate jurisdiction.  Yes  No

b. Occupational disease coverage is triggered by the date established by the appropriate jurisdiction.  Yes  No

7. Is there a time limit for reporting claims?  Yes  No

Please indicate any penalty for later reporting. No. Policy reads "As soon an Employer is aware"

8. Is coverage written on a "pay-on-behalf-of" basis?  Yes  No

9. Do all claims costs (expenses) apply toward the County's SIR with no dilution of limits?  Yes  No

10. Is the policy extended to allow a reasonable agreed upon rate for work done by the County Attorney's Office in connection with lawsuits or other necessary legal services to be applied toward satisfaction of the County's SIR?  Yes  No

11. For any claim involving subrogation:

a. The insurer agrees to reimburse the County for collection expenses first.  Yes  No

b. The insurer is responsible for collection expenses, if no recovery is made.  Yes  No

12. Insuring agreement should read as follows:

a. With respect to workers compensation losses paid by the County, because of liability that may be imposed on the County by the workers compensation laws of any state other than Texas, Part One of the workers compensation policy also applies to liability imposed on the County by the workers compensation laws of any state other than Texas.  Yes  No

b. With respect to employers' liability losses paid by the County for damages imposed upon the County by the laws of any state other than Texas, Part Two of the workers compensation policy also applies to damages imposed on the County by the laws of any state other than Texas.  Yes  No

13. Please indicate location of claims servicing office. TriStar office is located in San Antonio.

14. Are volunteers included as covered employees?  Yes  No

If no, what is the additional premium to include coverage for volunteers? \_\_\_\_\_

15. Please indicate if premium quoted is flat or auditable and composite rate.

Auditable and Composite Rate Per \$100 of Audited Payroll

16. Please indicate method of premium payment (monthly, quarterly, annually, etc.).

Annual



## EXCEPTION FORM FOR EXCESS WORKERS COMPENSATION

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.***

None we are aware of after review of the specifications and the quote.

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/27/2020  
Date

SPECIFIC EXCESS  
WORKERS' COMPENSATION AND  
EMPLOYERS' LIABILITY INSURANCE AGREEMENT

**SAFETY NATIONAL CASUALTY CORPORATION**  
ST. LOUIS, MISSOURI

*(Hereinafter called the CORPORATION)*

In consideration of the payment of premium and subject to all the terms of this Agreement, hereby agrees with the EMPLOYER named in the Declarations (hereinafter called the EMPLOYER), as follows:

**A. Coverage of Agreement**

This Agreement applies only to Loss sustained by the EMPLOYER because of liability imposed upon the EMPLOYER by the Workers' Compensation or Employers' Liability Laws of:

- (1) the State(s) designated in the Declarations, or
- (2) other State(s), provided that the Loss shall not be greater than it would have been had liability been imposed by the State(s) specified in the Declarations,

on account of bodily injury by accident or bodily injury by occupational disease due to Occurrences taking place within the Liability Period to Employees of the EMPLOYER engaged in the business operations specified in the Declarations and all other operations necessary, incidental, or appurtenant thereto. Bodily injury includes resulting death.

The inclusion of more than one EMPLOYER in the Declarations shall not increase the EMPLOYER's Self-Insured Retention nor the CORPORATION's Maximum Limit of Indemnity.

The insurance afforded by this Agreement applies to operations in the State(s) specified in the Declarations, including, however, incidental operations conducted by Employees who are regularly engaged in operations in the specified State(s), but who may be temporarily outside the specified State(s).

**B. Insurance Under This Agreement**

**(1) Specific Excess Insurance**

With respect to each Occurrence taking place within a Liability Period, the EMPLOYER shall retain as its own Loss, as defined below, the amount specified in Item 7 of the Declarations, and the CORPORATION agrees to reimburse the EMPLOYER only for such Loss in excess of such Self-Insured Retention, subject to the Maximum Limit of Indemnity Per Occurrence, or the Employers' Liability Maximum Limit of Indemnity Per Occurrence, whichever is applicable, as specified in Item 8 of the Declarations. The separate Employers' Liability Maximum Limit of Indemnity Per Occurrence shall not operate, in any case, to increase the total amount the CORPORATION agrees to reimburse the EMPLOYER for Loss per any one Occurrence as per Item 8(a) of the Declarations.

**C. Definitions**

- (1) "Loss" - shall mean actual payments, less recoveries, legally made by the EMPLOYER to Employees and their dependents in satisfaction of: (a) statutory benefits, (b) settlements of suits and claims, and (c) awards and judgments. Loss shall also include Claim Expenses, paid by the EMPLOYER, as defined in Paragraph (2) of this Section. The term Loss shall not include the items specifically excluded by Paragraph (3) of this Section.
- (2) "Claim Expenses" - shall mean court costs, interest upon awards and judgments and the reasonable allocated costs of investigation, adjustment, defense, and appeal, including pension or appeal bond costs (provided that the prosecution of such appeal and/or the posting of such pension or appeal bond is approved by the CORPORATION) of claims, suits or proceedings brought against the EMPLOYER under the Workers' Compensation or Employers' Liability Laws of the State(s) designated in the Declarations, or other State(s), as provided in Section A, even though such claims, suits, proceedings or demands are wholly groundless, false or fraudulent. Claim Expenses shall not include fees to the EMPLOYER's Service Company.
- (3) "Exclusions from Loss" - shall refer to the following amounts paid by the EMPLOYER, and specifically excluded from the term Loss:
  - (a) Salaries, wages, and remuneration provided to Employees;
  - (b) Fees to the EMPLOYER's Service Company and/or costs of self-administration of claims;
  - (c) Punitive or exemplary damages as they relate to claims made under the Employers' Liability coverage provided by this Agreement;
  - (d) Fines or penalties assessed against the EMPLOYER for any violation by the EMPLOYER, or its representative(s), of any statute or regulation, unless the fines or penalties result from a reasonable dispute as to Workers' Compensation benefits owed by the EMPLOYER;
  - (e) Assessments and taxes made upon the EMPLOYER as self-insurer whether imposed by statute, regulation, or otherwise;

(f) Any amounts required to be paid by the EMPLOYER because of:

- 1) Serious and willful misconduct of the EMPLOYER, including intentional torts and intentional acts or omissions resulting in injury, acts or omissions taken with reckless disregard of the possible occurrence of an injury or acts or omissions taken that are substantially certain to result in injury, regardless of whether or not said actions may be classified in the State(s) as intentional torts,
  - 2) Coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any Employee and/or related personnel practices, policies, acts or omissions by the EMPLOYER,
  - 3) Knowingly employing an Employee in violation of law,
  - 4) Rejection by the EMPLOYER of any Workers' Compensation Law,
  - 5) Failure to comply with any health, safety, or notification law or regulation,
- (g) Loss voluntarily assumed by the EMPLOYER under any contract or agreement, whether express or implied;
- (h) Loss for which the EMPLOYER carries a full coverage Workers' Compensation and Employers' Liability policy; and
- (i) Any amount owed by the EMPLOYER pursuant to provision of any law that provides non-occupational disability benefits.
- (4) "Occurrence" – shall mean accident. In addition, bodily injury by occupational disease must be caused or aggravated by the conditions of employment and shall be deemed to have occurred on the last day of the last exposure to those conditions of employment causing or aggravating such injury by occupational disease, or such dates as is otherwise established by the Workers' Compensation and Employers' Liability Laws of the appropriate State(s). Bodily injury by occupational disease sustained by each Employee shall be deemed to be a separate Occurrence unless such disease results directly from an accident.
- (5) "Employee" – as respects liability imposed upon the EMPLOYER by the Workers' Compensation Law of any State, the word Employee shall mean any person performing work which renders the EMPLOYER liable under the Workers' Compensation Law of a State named in Item 2 of the Declarations, which is the State of the injured Employee's normal employment, for bodily injuries or occupational disease sustained by such person.
- (6) "State" – shall mean any state, territory, or possession of the United States of America and the District of Columbia.

#### **D. Reimbursement**

If the EMPLOYER pays any Loss incurred in any Liability Period in excess of the Self-Insured Retention Per Occurrence, the CORPORATION shall reimburse the EMPLOYER upon receipt of a formal proof of loss and other evidence acceptable to the CORPORATION of such payment. Within a reasonable

period of time, reimbursement payments shall be made by the CORPORATION.

The CORPORATION shall have, and may exercise at any time, and from time to time, the right to offset any balance or balances, whether on account of premiums, Losses or otherwise, due from the EMPLOYER to the CORPORATION against any balance or balances due from the CORPORATION to the EMPLOYER under this Agreement.

#### **E. Liability Period**

The liability of the CORPORATION for Loss hereunder shall be determined separately for each Liability Period. The initial Liability Period shall commence at 12:01 A.M. on the Effective Date and end at 12:01 A.M. on the Anniversary Date, designated in Items 3 and 4 respectively, of the Declarations. Each succeeding Liability Period shall begin concurrently with the end of the previous Liability Period and continue for the same number of consecutive months as the initial Liability Period. All time is stated in local time for the State(s) designated in the Declarations.

In the event the EMPLOYER fails to give express written intent to continue coverage at the end of a given Liability Period, the Agreement shall be deemed terminated, and the Anniversary Date shall serve as the termination date of the Agreement.

#### **F. Premium**

Upon acceptance of the Agreement and at the beginning of each Payroll Reporting Period, as specified in Item 12 of the Declarations, the EMPLOYER shall pay to the CORPORATION the amount of the Deposit Premium specified in Item 11 of the Declarations. The EMPLOYER shall pay premiums when due. The Deposit Premium shall be held by the CORPORATION until the expiration of the Payroll Reporting Period. Within thirty (30) days after the close of each Payroll Reporting Period, the EMPLOYER shall render to the CORPORATION a report, upon a form satisfactory to the CORPORATION, exhibiting, by classification, the amount of such remuneration earned by Employees during such reporting period, and the EMPLOYER shall therewith pay to the CORPORATION the excess of the Earned Premium over the Deposit Premium previously paid. In case the Deposit Premium paid exceeds the Earned Premium, the CORPORATION shall return to the EMPLOYER the amount of such excess or give appropriate credit, subject to the proportion of Minimum Premium for the Liability Period in the case of multi-year Liability Periods.

Upon expiration of a Liability Period, a summary of voluntary payroll reports for such Liability Period shall be made to determine the Earned Premium under this Agreement. In no event, however, shall the Earned Premium in respect of any Liability Period be less than the Minimum Premium specified in the Declarations.

For each Payroll Reporting Period, the CORPORATION shall compute the Earned Premium as follows:

- (1) Remuneration – The remuneration earned, or man hours accumulated during such period by all Employees, including volunteers, engaged in each classification covered by this Agreement shall be computed in accordance with the rules set forth in the appropriate Manual of Workers' Compensation and Employers' Liability Insurance.
- (2) Manual and Standard Premium – The remuneration, or man-hours, so computed for Employees engaged in each such classification shall be multiplied by the Manual Rate per \$100 of remuneration/man-hour, in effect at the inception of each Payroll Reporting Period, and the products so obtained shall be added together to determine the Manual Premium. An Experience Modification Factor may be applied to the Manual Premium to determine a Standard Premium. Such Experience Modification Factor shall be determined at the inception of this Agreement and is subject to annual review and possible revision. A Standard Premium takes precedence over any Manual Premium.
- (3) Earned Premium – Against the Manual or Standard Premium shall be applied the Premium Rate, as specified in Item 9 of the Declarations, to determine the appropriate Earned Premium.

This Agreement is issued by the CORPORATION and accepted by the EMPLOYER subject to the agreement that, in the event of any change in the Rates per \$100 remuneration/man-hour, as stated in Item 6 of the Declarations, because of any general rate increase or any legislative amendment affecting the benefits under the Workers' Compensation Law of any State(s) named in Item 2 of the Declarations, such change, upon the effective date thereof, shall be, without endorsement, made a part of this Agreement.

#### **G. Self-Insurer**

The EMPLOYER, by acceptance of this Agreement, warrants that it is a duly qualified Self-Insurer in the State(s) designated in the Declarations, and will continue to maintain such qualifications during the currency of this Agreement. In the event the EMPLOYER should at any time while this Agreement is in force terminate such qualifications or if they should be cancelled or revoked, such loss of qualifications shall operate as notice of cancellation of this Agreement by the EMPLOYER, subject to the additional terms of the Cancellation Section of this Agreement.

#### **H. Service and Administration**

This Agreement contemplates the concurrent and continued existence of a separate service agreement between the EMPLOYER and the Service Company, its designated representative, named in Item 5 of the Declarations, providing services approved by the CORPORATION. The EMPLOYER agrees that its Service Company shall furnish the CORPORATION with quarterly loss runs concurrent with each Liability Period of this Agreement. The provision of loss runs alone does not relieve the EMPLOYER of its reporting obligations as set forth in Section I of this Agreement. In

addition, the electronic transfer of loss information by a Service Company of the EMPLOYER shall not constitute notice of a claim.

Cancellation of the service agreement between the Service Company and the EMPLOYER shall operate as a notice of cancellation of this Agreement by the EMPLOYER, subject to the additional terms of the Cancellation Section of this Agreement. Any change in service companies must be immediately communicated to and approved by the CORPORATION, and this obligation shall survive the termination or non-renewal of this Agreement.

#### **I. Prompt Reporting of Claims**

As soon as the EMPLOYER becomes aware, the EMPLOYER must provide prompt notice to the CORPORATION of: (a) any claim or action commenced against the EMPLOYER which exceeds, or is likely to exceed, fifty percent (50%) of the Self-Insured Retention Per Occurrence specified in Item 7 of the Declarations and (b) the reopening of any claim in which a further award might involve liability of the CORPORATION under this Agreement.

In addition, the following categories of claims shall be reported to the CORPORATION immediately, regardless of any question of potential involvement of the CORPORATION:

1. Fatalities;
2. Paraplegics and quadriplegics;
3. Serious burns, defined as 2<sup>nd</sup> or 3<sup>rd</sup> degree burns involving 25% or more of the body;
4. Brain injury;
5. Spinal cord injury;
6. Amputation of a major extremity; and
7. Any Occurrence which results in a serious injury to two or more Employees.

If the CORPORATION is prejudiced by the EMPLOYER's failure to provide prompt notice of a claim in accordance with the requirements set forth above and/or as otherwise provided by the Law of any State(s), the CORPORATION may elect to deny coverage for Loss arising from such claim. To constitute prompt, sufficient notice, the EMPLOYER must provide complete information as to the details of the injury, disease, or death.

#### **J. Defense of Claims**

The EMPLOYER shall investigate and settle or defend all claims and shall conduct the defense and appeal of all actions, suits, and proceedings commenced against it. The EMPLOYER shall forward promptly to the CORPORATION copies of any pleadings or reports as may be requested. The CORPORATION shall not be obliged to assume charge of the investigation, defense, appeal or settlement of any claim, suit, or proceeding brought against the EMPLOYER, but the CORPORATION shall be given the opportunity to investigate, defend, or participate with the EMPLOYER in the investigation and defense of any claim, if, in the opinion of the CORPORATION, its liability under this Agreement might be involved.

#### **K. Good Faith Claims Administration**

The EMPLOYER shall use diligence, prudence, and good faith in the investigation, defense, pursuit of recovery from others and settlement of all claims. The EMPLOYER shall not unreasonably refuse to settle any claim which, in the exercise of sound judgment with respect to the entire claim, should be settled, provided, however, that the EMPLOYER shall not make any payment or agree to any settlement for any sum which would involve the limits of the CORPORATION's liability hereunder without the approval of the CORPORATION.

If the CORPORATION is prejudiced by the EMPLOYER's failure to exercise diligence, prudence, and good faith, the CORPORATION may elect to disclaim coverage for Loss from such claim.

#### **L. Inspection and Audit**

The CORPORATION shall have the right, but not the obligation, to inspect the premises and equipment and/or to audit the books and records of the EMPLOYER and of its agents and representatives, including all records relating to payroll and claims matters, at any reasonable time during the period of this Agreement and within three (3) years after final settlement of all claims due to Occurrences happening during the term of this Agreement. An audit to determine Manual or Standard Premium shall supersede any and all prior voluntary payroll reports by the EMPLOYER, and will be used to determine the final adjustment of premiums due to the CORPORATION. Should a determination be made that additional audit premium is due to the CORPORATION, the due date for payment of such audit premium shall be thirty (30) days after the date of billing.

#### **M. Other Insurance**

If the EMPLOYER carries other valid and collectible insurance, reinsurance, or indemnity with any other insurer or reinsurer covering a Loss also covered by this Agreement (other than insurance or reinsurance that is purchased to apply in excess of the sum of the Self-Insured Retention and the Maximum Limits of Indemnity hereunder), the insurance afforded by this Agreement shall apply in excess of and shall not contribute with such other insurance or reinsurance.

#### **N. Recovery from Others**

The EMPLOYER agrees to prosecute any and all valid claims the EMPLOYER may have against any other party or source that may mitigate any Loss under this Agreement and return to the CORPORATION any amount so recovered, less the reasonable expense of collecting such amounts.

The CORPORATION shall have the EMPLOYER's rights to prosecute any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. The EMPLOYER agrees that it will assist the CORPORATION in any prosecution of any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. Any amounts recovered by the EMPLOYER or the CORPORATION from any party or source that may

mitigate any Loss under this Agreement shall first be used to pay the expenses of collection and to reimburse the CORPORATION for any amount it may have paid the EMPLOYER for the Liability Period concerned, and all remaining amounts collected shall be paid to the EMPLOYER.

#### **O. Change in Agreement**

No condition, provision, or declaration of this Agreement shall be waived or altered at any time, except as specified in Section F, except by endorsement signed by the President or a Senior Vice President and the Secretary or an Assistant Secretary of the CORPORATION.

This Agreement hereby terminates, supersedes, and replaces all previously issued Workers' Compensation Insurance or Reinsurance Agreements, as amended, between the EMPLOYER and the CORPORATION.

If terms of this Agreement are in conflict with any law applicable to this Agreement, this statement amends this Agreement to conform to such law. In addition, in the event any terms are in conflict with applicable laws, the remaining terms of the Agreement shall be enforceable.

#### **P. Cancellation**

This Agreement may be cancelled by either party giving the other party written notice not less than sixty (60) days prior to the date of cancellation, except, that if the CORPORATION cancels for non-payment of any premium, the cancellation shall become effective ten (10) days after dispatch of notice by the CORPORATION. The date of cancellation then becomes the termination date of the final Liability Period. This Agreement does not apply to Loss as a result of Occurrences taking place after the effective date of such cancellation.

If cancellation is effected by the EMPLOYER, the Manual or Standard Premium shall be determined by the short rate tables used for casualty insurance, and the Earned Premium shall be the product of the Premium Rate (Item 9) times the Manual or Standard Premium (or the Total Annual Remuneration) so arrived at, but not less than the Minimum Premium specified in the Declarations.

If cancellation is effected by the CORPORATION for non-payment of premium, the EMPLOYER shall pay the CORPORATION Earned Premium for the period up to the date of cancellation.

If the CORPORATION cancels for any other reason, the Manual or Standard Premium (or the Total Annual Remuneration) shall be determined upon a pro rata basis and the Earned Premium adjusted in accordance therewith.

#### **Q. Assignment**

An assignment of interest under this Agreement will not bind the CORPORATION unless an endorsement signed by the President or a Senior Vice President and the Secretary or an Assistant Secretary of the CORPORATION assigning interest under this Agreement is issued by the CORPORATION.

**R. Bankruptcy or Insolvency of Employer**

The bankruptcy or insolvency of the EMPLOYER will not relieve the CORPORATION or the EMPLOYER of its duties and liabilities under this Agreement. After payments have been made by or on behalf of the EMPLOYER, reimbursements due under this Agreement will be made by the CORPORATION as if the EMPLOYER had not become bankrupt or insolvent, but not in excess of the CORPORATION's limit of indemnity.

**S. Sole Representative**

If more than one EMPLOYER is named in Item 1 of the Declarations, or an endorsement related thereto, the EMPLOYER first named in Item 1, or a related endorsement, will act on behalf of all EMPLOYERS to give or receive notice of cancellation, to receive return premium or reimbursement, or to request changes in this Agreement.

**T. Acceptance**

By acceptance of this Agreement, the EMPLOYER agrees that the statements in this Agreement, in the Declarations, and

in the application are the EMPLOYER's representations; that this Agreement is issued in reliance upon such representations; that this Agreement embodies all agreements existing between the EMPLOYER and the CORPORATION, or any of its agents, relating to this excess insurance, and that full compliance by the EMPLOYER with all terms of this Agreement is a condition precedent to the CORPORATION's liability hereunder.

IN WITNESS WHEREOF, SAFETY NATIONAL CASUALTY CORPORATION has caused this Agreement to be executed by printing below the facsimile signatures of its President and Secretary and by the actual signature of its Secretary on the Declarations.

Secretary

President

Specimen

ENDORSEMENT

VOLUNTARY COMPENSATION ENDORSEMENT-PREMIUM DELINEATION

Effective 12:01 A.M., Local Time, DEFAULT DEFAULT, DEFAULT

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed that this Endorsement adds voluntary compensation insurance to this Agreement as follows:

A. Coverage

It is the intent of this endorsement to extend the coverage provided by this Agreement to non-compensated volunteer Employees, operating at the direction of the EMPLOYER, as if the volunteer Employees were subject to the Workers' Compensation and Employers' Liability Laws stipulated in the Schedule below, even though these laws may not require payment of benefits to such volunteer Employees.

This insurance applies to Loss sustained by the EMPLOYER because of bodily injury and occupational disease, including death resulting therefrom, due to Occurrences taking place within the Liability Period of this Agreement.

1. The bodily injury or occupational disease must be sustained by an Employee included in the group of Employees described in the Schedule.
2. The bodily injury or occupational disease must occur in the course of employment necessary or incidental to work in a State listed in the Schedule.
3. The bodily injury or occupational disease must occur in the United States of America, its territories or possessions or Canada and may occur elsewhere if the Employee is an American or Canadian citizen temporarily away from their home country.

B. Indemnification

The CORPORATION will indemnify the EMPLOYER for Loss in satisfaction of statutory benefits that would be imposed if the EMPLOYER and Employees described in the Schedule were subject to the Workers' Compensation Law shown in the Schedule. Naturally, indemnification for any such Loss is subject to the Self-Insured Retention Per Occurrence, Loss Fund(s) and Maximum Limit(s) of Liability as specified in the Declarations.

C. Exclusions

This insurance does not cover:

1. Any obligation imposed by a workers' compensation or occupational disease law, or any similar law.
2. Bodily injury intentionally caused or aggravated by the EMPLOYER.

ENDORSEMENT (CONTINUED)

D. Before Indemnification

Before the CORPORATION indemnifies the EMPLOYER, the injured Employee, or his legal representative in the case of his incapacity or death, must:

1. Release the EMPLOYER and the CORPORATION, in writing, of all responsibility for the injury or death.
2. Transfer to the EMPLOYER and the CORPORATION their right to recover from others who may be responsible for the injury or disease.
3. Cooperate and do everything necessary to enable the EMPLOYER and the CORPORATION to enforce the right to recover from others.

If the injured Employee, or his legal representative(s), fails to perform as required above, or if they claim damages from the EMPLOYER or the CORPORATION for the injury or disease, the CORPORATION'S duty to indemnify the EMPLOYER is immediately terminated.

E. Recovery From Others

If the CORPORATION makes a recovery from others, the CORPORATION will keep an amount equal to its expenses of recovery and the Loss paid by the CORPORATION. The CORPORATION will pay the balance to the parties entitled to payment. If the parties entitled to the benefits of this insurance make a recovery from others, they must reimburse the CORPORATION for the Loss previously paid by the CORPORATION to such parties.

F. Employers' Liability Insurance

Employers' Liability Insurance applies to Loss covered by this endorsement as though the State of employment shown in the Schedule were shown in Item 2 of the Declarations.

G. Premium

It is agreed that all persons who donate their services to the EMPLOYER will be reported for purposes of premium computation at an hourly wage of \$7.25 per hour minimum, unless the work they do is similar to the work being done by a paid Employee who is receiving more than a \$7.25 per hour wage, in which event the wage reported for the unpaid voluntary Employee will be the same as the wage reported for the paid Employee.

SCHEDULE

Employees	State of Employment	Designated Workers Compensation Law
Authorized volunteers, student workers, etc, while not subject to any Workers' Compensation Law	DEFAULT	State(s) of DEFAULT

ENDORSEMENT (CONTINUED)

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. DEFAULT, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, ET AL, dated DEFAULT DEFAULT, DEFAULT.

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

Specimen

ENDORSEMENT

FOREIGN VOLUNTARY WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

Effective 12:01 A.M., Local Time, DEFAULT DEFAULT, DEFAULT

SECTION 1. SCOPE OF INSURANCE

- A. The insurance afforded by this Agreement also applies to Employees, as defined in Section 2 of this Endorsement, who are employed to work at locations within the following country or countries:

*anywhere in the world outside the United States or United States possessions and territories, except Countries or areas of Countries that are assigned a Travel Advisory Ranking at the time of travel that is either Level 3: Reconsider Travel or Level 4: Do Not Travel, as shown on the [Travel.State.Gov](http://Travel.State.Gov) website of the US Department of State – Bureau of Consular Affairs.*

- B. Benefits payable under this Endorsement are the same as those that would be payable if the Employees in question were subject to the Worker's Compensation Law of the following State or States: DEFAULT

- C. Benefits payable under this Endorsement shall include repatriation expense in an amount up to \$ **RepatriationExp** with respect to any one Employee and as otherwise subject to the CORPORATION'S Foreign Voluntary Endorsement Limit of Liability for Coverage B – Employer's Liability.

- D. The CORPORATION'S Foreign Voluntary Endorsement Limit of Liability for Coverage B – Employer's Liability is limited to \$ **EL Limit agreed upon** and applies in excess of the Self-Insured Retention Per Occurrence.

SECTION 2. EMPLOYEES COVERED

- A. It is agreed that the insurance provided by this Agreement also applies to those Employees of the EMPLOYER who are hired or assigned by the EMPLOYER to work at locations within the country or countries not excluded in this Endorsement.

- B. This insurance, with respect to any such Employee, shall attach from the moment such Employee is hired or assigned for such work and shall cease from the moment the employment or assignment for such work is terminated. If the Employee has been hired in the United States of America, coverage continues after termination of employment until the Employee returns to the United States of America or for a reasonable period of time for the opportunity to return to the United States of America, unless termination of employment is due to the Employee's resignation.

- C. This insurance shall not apply to persons other than citizens or residents of the United States of America within the country or countries stated in this Endorsement except as stated herein: NONE.

0293 00 0906 (XWC)

ENDORSEMENT (CONTINUED)

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. DEFAULT, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, ET AL, dated DEFAULT DEFAULT, DEFAULT.

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

Specimen

0322 00 1291 (XWC)

ENDORSEMENT

90-DAYS NOTICE OF CANCELLATION

Effective 12:01 A.M., Local Time, DEFAULT DEFAULT, DEFAULT

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed as follows:

The portion of the first paragraph of the Section entitled Cancellation, which reads, "... not less than sixty (60) days prior to the date of cancellation..." is amended to read, "...not less than ninety (90) days prior to the date of cancellation...".

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. DEFAULT, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, ET AL, dated DEFAULT DEFAULT, DEFAULT.

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

0556 00 0495 (XWC)

ENDORSEMENT

SELF-INSURED RETENTION PER OCCURRENCE

Effective 12:01 A.M., Local Time, DEFAULT DEFAULT, DEFAULT

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed as follows:

DECLARATIONS:

Item 7. Self-Insured Retention Per Occurrence for:

- (a) Occurrences resulting in an injury to any Employee classified under code 7704 described as Firefighters and Drivers: DEFAULT
- (b) All other Occurrences:

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. DEFAULT, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, ET AL, dated DEFAULT DEFAULT, DEFAULT.

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

ENDORSEMENT

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE

Effective 12:01 A.M., Local Time, DEFAULT DEFAULT, DEFAULT

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers' compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

**Definitions**

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

1. "Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto, including any amendments resulting from the Terrorism Risk Insurance Program Reauthorization Act of 2015.
2. "Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States as meeting all of the following requirements:
  - a. The act is an act of terrorism
  - b. The act is violent or dangerous to human life, property or infrastructure.
  - c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
  - d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. "Insured Loss" means any loss resulting from an Act of Terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.
4. "Insurer Deductible" means, for the period beginning on January 1, 2015, and ending on December 31, 2020, an amount equal to 20% of our direct earned premiums during the immediately preceding calendar year.

**Limitation of Liability**

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a calendar year and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

ENDORSEMENT (CONTINUED)

**Policyholder Disclosure Notice**

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed:
  - a. \$100,000,000, with respect to such Insured Losses occurring in calendar year 2015, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
  - b. \$120,000,000, with respect to such Insured Losses occurring in calendar year 2016, the United States Government would pay 84% of our Insured Losses that exceed our Insurer Deductible.
  - c. \$140,000,000, with respect to such Insured Losses occurring in calendar year 2017, the United States Government would pay 83% of our Insured Losses that exceed our Insurer Deductible.
  - d. \$160,000,000, with respect to such Insured Losses occurring in calendar year 2018, the United States Government would pay 82% of our Insured Losses that exceed our Insurer Deductible.
  - e. \$180,000,000, with respect to such Insured Losses occurring in calendar year 2019, the United States Government would pay 81% of our Insured Losses that exceed our Insurer Deductible.
  - f. \$200,000,000, with respect to such Insured Losses occurring in calendar year 2020, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.
2. Notwithstanding item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceeds \$100,000,000,000.
3. The premium charge for the coverage your policy provides for Insured Losses is included in the "Deposit Premium for the Payroll Reporting Period" shown on the Declarations Page. The portion of your premium that is attributable to coverage for Insured Losses is 0.5%.

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. DEFAULT, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to DEFAULT, ET AL, dated DEFAULT DEFAULT, DEFAULT. Endorsement No. 1061 15 0519 (XWC)

SAFETY NATIONAL CASUALTY CORPORATION

President

Secretary

# SAFETY NATIONAL CASUALTY CORPORATION

## PRIVACY STATEMENT

### Our Commitment To Our Customers

Safety National Casualty Corporation ("Safety National") is proud to have provided quality products and services to its customers for over 50 years. We greatly appreciate the trust that you and all of our customers place in us. We protect that trust by respecting the privacy of all of our customers, both present and past. The following will explain our privacy practices so that you will understand our commitment to your privacy.

### We Respect Your Privacy

When you apply to Safety National for any type of insurance, you disclose information about you to us. The collection, use and disclosure of such information is regulated by law. Safety National and its affiliates maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard your personal information. Our employees are also advised of the importance of maintaining the confidentiality of your information.

### Types Of Information We Collect

Safety National obtains most of our information directly from you, your agent or broker. The application you complete, as well as any additional information you provide, generally gives us most of the details we need to know. Depending on the nature of your insurance transaction, we may need further details about you.

We may obtain information from third parties, such as other insurance or reinsurance companies, medical providers, government agencies, information clearinghouses and other public records. We may also obtain information about you from your other transactions with us, our affiliates or others.

### What We Do With Your Information

Information that has been collected about you will be retained in our files. We will review your information in evaluating your request for insurance coverage, determining your rates or underwriting risk, servicing your policy or adjusting claims. We may retain information about our former customers and would disclose that information only to affiliates and to non-affiliates as described in this notice or as otherwise permitted by law.

### To Whom Do We Disclose Your Information

We will not disclose any non-public, personal information about our customers or former customers, except as permitted by law. That means we may disclose information we have collected about you to the following types of third parties:

- Our affiliated companies (Members and subsidiaries of the Tokio Marine Holdings, Inc. group of companies).
- Your agent or broker.
- Parties who perform a business or insurance function for Safety National, including reinsurance, underwriting, claims administration or adjusting, investigation, loss control and computer systems companies.
- Other insurance companies or agents as reasonably necessary concerning your application, policy or claim.
- Insurance regulatory or statistical reporting agencies.
- Law enforcement or governmental authorities in connection with suspected fraud or illegal activities.
- Authorized persons as ordered by subpoena, warrant or court order, or as required by law.

We do not disclose any non-public, personal information about you to non-affiliated companies for marketing purposes or for any other purpose except those specifically allowed by law and described above.

### Independent Sales Agents or Brokers

Your policy may have been placed with us through an independent agent or broker ("Sales Agent"). Your Sales Agent may have gathered information about you. The use and protection of information obtained by your Sales Agent is their responsibility, not Safety National's. If you have questions about how your Sales Agent uses or discloses your information, please contact them directly.

## PROPOSAL FORM FOR BLANKET PUBLIC EMPLOYEE DISHONESTY BOND AND COMMERCIAL CRIME

1. Proposed Insurer Travelers Casualty & Surety Company of America
2. Annual Premium for the following:

Limits	Deductibles				
	\$1,000	\$2,500	\$5,000	\$10,000	Other
Blanket Public Dishonesty Bond \$1,000,000 Quoted \$2,000,000				\$6,000	
Money & Securities \$150,000 Quoted \$250,000		Included			
Forgery & Alteration \$200,000 Quoted \$250,000	Included				
Computer Fraud/Funds Transfer \$150,000 Quoted \$250,000 \$500,000		Included			
Money Orders/Counterfeit Currency \$150,000 Quoted \$250,000		Included			
Excess Employee Dishonesty \$500,000 Not Quoted \$1,000,000					

3. Annual premium for Excess Individual Faithful Performance Bonds: Included in Crime Premium

Limits	Deductibles			
	\$2,500	\$5,000	\$10,000	Other
County Treasurer \$500,000 \$1,000,000			\$1M limit	
Tax Assessor \$500,000 \$1,000,000			\$1M limit	

Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No

4. Please explain what persons or positions have been specifically excluded, or otherwise limited, from the employee dishonesty/faithful performance coverage quote, if any:

Faithful Performance of Duty provided for Tax Assessor/Collector and  
County Treasurer only.

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5. Please indicate if coverage is extended to include the following and any additional premium:

a. Ninety (90)-day coverage following termination.

Yes  No \_\_\_\_\_ Premium

b. Elected and appointed officials included as "employees."

Yes  No \_\_\_\_\_ Premium

c. Volunteers included as "employees."

Yes  No \_\_\_\_\_ Premium

d. Definition of "employee" includes temporary or part-time employees.

Yes  No \_\_\_\_\_ Premium

e. Deletion of exclusion for property in the care, custody or control of a temporary employee.

Yes  No \_\_\_\_\_ Premium

f. Removal of short-rate cancellation provision.

Yes  No \_\_\_\_\_ Premium

g. Clarification of property defalcation definition.

Yes  No \_\_\_\_\_ Premium

h. Clarification of property defalcation definition.

Yes  No \_\_\_\_\_ Premium

6. Indicate if premium is flat or auditable and composite rate. Flat

7. Indicate method of premium payment (monthly, quarterly, annually, etc.)

Annual

8. Indicate the term of the coverage. Annual

If more than one year, are rates fixed?  Yes  No

9. Is your quote contingent on writing any other line(s)?  Yes  No  
If so, what line(s)? GL, AL, APD, LEL, POL, EPLI, XS WC XS Liability  
and Property
10. Are specimen policy forms and endorsements included?  Yes  No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/21/2020  
Date

## EXCEPTION FORM FOR BLANKET PUBLIC EMPLOYEE DISHONESTY BOND AND COMMERCIAL CRIME

*Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.*

None known after review of the specifications and the Travelers quote.

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/21/2020  
Date



# MARINE INSURANCE PROPOSAL

**Proposal Date:** July 16, 2020

## INSURED

**Name:** Webb County, Texas

**Address:** 111 Victoria Street  
Laredo, TX 78040

## BROKER

**Company:** USI Southwest, Inc.

**Contact Name:** Robert Bookhammer

**Address:** 5151 Belt Line Rd, Suite 200  
Dallas, Texas 75254

## PREPARED BY

**Underwriter:** Shawn Langenegger  
<https://axaxl.com>

**Quote Number:** QUM0108527MA20A

**Renewal Of:** New

**Paper:** XL Specialty Insurance Company

**\*Effective Date:** October 01, 2020

**\*Expiration Date:** October 01, 2021

\*at 12:01 a.m. Local Standard Time at the address of the Insured listed herein



## **AXA XL INSURANCE**

### ***WE DON'T JUST PROVIDE INSURANCE. WE REINVENT IT***

AXA XL is the P&C and Specialty Risk Division of AXA. We're known for solving complex risks for mid-sized companies, multinationals and even some inspirational individuals.

With speed, agility and a focus on the future we can offer more products, greater global reach, and the best talent in an agile and inclusive workspace, empowered to deliver top client service across all our lines of business - Property, Casualty, Professional and Financial Lines and Specialty.

With an innovative and flexible approach to risk solutions, we partner with those who move the world forward.

## **VALIDITY AND AUTHORIZATION**

We are pleased to present the following proposal for your client.

This quotation is strictly limited to the terms and conditions outlined below and any other coverage extensions, deletions or changes requested in the submission may not have been granted. Any request to amend, add, or modify terms and conditions or coverage as set forth below will not serve to alter the terms and conditions or coverage until written acknowledgement and approval to such request is provided by the Company. We reserve the right to suspend this quotation (all or any part of) if there is a material change to the information provided in the submission, or in the event of a natural or man-made catastrophic event.

This is a quotation for insurance and not a binder or an insurance policy. If there is any conflict between this quotation and the actual insurance policy, the insurance policy prevails. The insurance policy forms noted herein do not reflect state specific requirements, which will be endorsed on to the policy where applicable.

This quotation remains valid for 30 days or until the proposed insurance policy effective date, whichever is earlier. In order to bind coverage, we must receive your written instructions confirming coverage desired prior to releasing a policy number. Please feel free to contact me with any questions you may have.

## **HOW TO REPORT MARINE CLAIMS**

Please email the incident facts and the following information to: [XLCatlinNAMarine@axaxl.com](mailto:XLCatlinNAMarine@axaxl.com)

Settlement Document (Marine)	Cargo	Hull	Inland Marine	Rec Marine
Bill of Lading (Must for International)	Y	X	X	X
Delivery receipt (Domestic)	Y	X	X	X
Commercial Invoice/ freight	Y	X	X	X
Credit Memo / Repair Invoice - or Estimates	Y	Y	Y	Y
Liability letter (Claims Letter to Carrier)	Y	X	X	X
Photographs	Y	Y	Y	Y
Evidence incident has been reported to the appropriate authority for Theft Claims (Mandatory)	Y	Y	Y	Y
Proof of ownership for personal property	X	X	X	Y
Proof of ownership for contractor equipment	X	X	Y	X

You may also use our XL Catlin NA Marine Loss Reporting Site:

<http://axaxl.rightindem.com/marine/claim>

If you prefer to speak with someone, please contact:

**Andrew Bumstead**

Cargo & Inland Marine Claims Manager  
P: 610.968.2594' M: 484.639.1620  
[andrew.bumstead@axaxl.com](mailto:andrew.bumstead@axaxl.com)

**Danielle Ortiz**

Hull & Liabilities Claims Manager  
P: 610.968.9075; M: 610.324.2994  
[danielle.ortiz@axaxl.com](mailto:danielle.ortiz@axaxl.com)



## CONTRACTOR'S EQUIPMENT COVERAGE SOLUTIONS

### MAXIMUM LIMIT OF INSURANCE

\$6,511,543

### COVERAGE

<u>Covered Property</u>	<u>Rate</u>	<u>Premium</u>	<u>Limit</u>
Scheduled Contractor's Equipment	\$0.500	\$30,058	\$6,011,543
Unscheduled Leased, Rented or Borrowed Equipment	\$1.000	\$1,000	\$500,000

<u>Covered Property</u>	<u>Deductible</u>
Scheduled Contractor's Equipment	*See below
Unscheduled Leased, Rented or Borrowed Equipment	*See below

\*\$1,000 applies to radios and segways. \$2,500 except \$5,000 items valued over \$250,000 all other

### SCHEDULE

Per Schedule on File with Us Dated: 5/26/2020

### COINSURANCE

0% (standard coinsurance is 80%, unless otherwise indicated here or Agreed Value applies)

### ADDITIONAL COVERAGES: LIMIT FOR UNSCHEDULED PREMISES

Please refer to Coverage Form for a complete description of these Additional Coverages.

<u>Additional Coverage</u>	<u>Limit of Insurance</u>
Accounts Receivable	\$ 10,000
Borrowed, Leased, or Rented Equipment from Others	\$ 500,000 \$ 500,000 Per Item
Continuing Lease or Rental Charges	\$ 25,000
Contract Penalty	\$ 25,000 72 Hour Waiting Period
Debris Removal	25% of covered loss, plus \$ 10,000
Drones	\$ 1,500 \$ 500 Deductible
Employee's Tools and Work Clothing	\$ 5,000 \$ 1,000 Per Item
Expediting Expense	\$ 25,000
Expendable Supplies	\$ 10,000
Extra Expense for Contractor's Equipment	\$ 10,000
Extra Expense for Property That Supports Your Business	\$ 5,000
Fire Department Service Charge	\$ 25,000
Fire Protection Systems	\$ 25,000
Improvements, Betterments, Attachments & Upgrades	\$ 25,000
Loaned, Leased, or Rented to Others	\$ 300,000
Loss Adjustment Expenses	\$ 5,000
Necessary Repairs	\$ 1,000
Newly Acquired Contractor's Equipment	\$ 350,000 Per Item



Newly Acquired Property That Supports Your Business	\$ 10,000	
Pollutant Cleanup and Removal*	\$ 25,000	
Preservation of Property	Included in Limit of Insurance	
Property While Underwater	\$ 10,000	
Property While Waterborne	\$ 10,000	
Reimbursement for Returning Stolen Property*	\$ 10,000	
Replacement of Keys and Locks	\$ 1,000	
Rental Expense	\$ 10,000	72 Hour Waiting Period
Reward Coverage	\$ 5,000	
Rigger Legal Liability	\$ 25,000	
Transporting Property of Others	\$ 25,000	
Unintentional Errors and Omissions*	\$ 25,000	
Unscheduled Tools and Equipment	\$ 5,000	\$ 1,000 Per Item
Virus, Harmful Code, or Similar Instruction	\$ 10,000	
Void Service Contract or Extended Warranty	\$ 2,500	
Voluntary Parting	\$ 25,000	

\*Limit applies to sum of all covered losses in each separate policy year specified in this quotation

**ADDITIONAL COVERAGES: LIMIT FOR SCHEDULED PREMISES**

Additional Coverage	Scheduled Locations	Limit of Insurance	Deductible
Property That Supports Your Business	Unscheduled Premises	\$ 25,000	\$ 1,000

**VALUATION**

Contractor's Equipment (standard valuation is ACV):

- Covered Property Leased or Rented From Others: Legal Liability, But No More Than Replacement Cost
- Replacement Cost: 10 Years (but this limitation will not apply to Covered Property Leased or Rented From Others)

**REPORTING PERIOD**

- Annually**

<u>Specifications</u>	<u>Scheduled Equipment</u>	<u>Leased and Rented Equipment</u>
Premium Base	\$6,011,543	\$100,000
Description	Values	Expenditures
Rate	\$0.500	\$1.000
Deposit Premium	\$30,058	\$1,000
Minimum Premium*	N/A	\$1,000

\*Earned and Retained



**ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE PART (IM 7200)**

DESCRIBED PREMISES

Loc No.	Locations
1.	As per schedule (Includes any property occupied by the county)

Loc No.	Hardware	Media	Programs and Applications
1	\$1,192,644	\$100,000	\$100,000

Loc No.	Data Records	Proprietary Programs	Income Coverage
1	Included In software	Included in software Limit	\$200,000

**COVERAGE EXTENSIONS**

- Additional Debris Removal Expenses \$10,000
- Electrical and Power Supply Disturbance Covered
- Emergency Removal 365 days
- Emergency Removal Expenses \$2,500
- Fraud and Deceit \$2,500
- Mechanical Breakdown Coverage Covered

**SUPPLEMENTAL COVERAGES**

- Acquired Locations \$500,000
- Earthquake
  - [x] Coverage Provided - \$250,000 limit
  - [ ] Coverage Not Provided
  - [ ] Refer to Earthquake, Flood and Sewer Backup Endorsement



- Flood
  - Coverage Provided - \$250,000 limit
  - Coverage Not Provided
  - Refer to Earthquake, Flood and Sewer Backup Endorsement
  
- Newly Purchased or Leased Hardware \$500,000
- Off-Site Computers \$5,000
- Pollutant Cleanup and Removal \$10,000
- Property In Transit \$100,000
- Protection and Control Systems \$10,000
- Recharge of Fire Extinguishing Equipment \$15,000
- Reproduction Equipment \$10,000
- Rewards \$2,500
  
- Sewer Backup
  - Coverage Provided
  - Coverage Not Provided
  - Refer to Earthquake, Flood and Sewer Backup Endorsement

**SUPPLEMENTAL COVERAGES (cont.)**

- Software Storage \$50,000
- Telecommunications Equipment \$25,000
- Virus and Hacking Coverage
  - Limit Any One Occurrence \$25,000
  - Limit Each Separate 12 month Period \$75,000

**DEDUCTIBLE AND COINSURANCE**

<b>DEDUCTIBLE</b>	Deductible Amount
For all covered perils unless a different deductible is shown below	\$5,000
Earthquake and Volcanic Eruption	\$25,000
“Flood”	\$25,000



“Mechanical Breakdown”, “Electrical Disturbance”, and “Power Supply Disturbance”

\$5,000

**COINSURANCE**

"Hardware", "Media", and "Programs and Applications"  
 Not Applicable

100%     90%     80%     Other \_\_\_\_\_%

"Data Records" and "Proprietary Programs"  
 Not Applicable

100%     90%     80%     Other \_\_\_\_\_%

**VALUATION**

Replacement Cost

**INCOME COVERAGE PART (IM 7215)**

**COVERAGE OPTIONS**

- Earnings and Extra Expense
- Extra Expense Only
- Income Coverage Not Provided

**INCOME COVERAGE EXTENSIONS**

Interruption by Civil Authority \_\_\_\_\_ days

Period of Loss Extension \_\_\_\_\_ days

**SUPPLEMENTAL INCOME COVERAGES**

- Acquired Locations \$
- Earthquake



- Coverage Provided
- Coverage Not Provided
- Refer to Earthquake, Flood and Sewer Backup Endorsement

- Flood
  - Coverage Provided
  - Coverage Not Provided
  - Refer to Earthquake, Flood and Sewer Backup Endorsement

- Off Premises Utility Service Interruption
  - Limit \$
  - Overhead Transmission Lines Excluded
  - Waiting Period \_\_\_\_\_ hours

- Property In Transit \$

- Sewer Backup
  - Coverage Provided
  - Coverage Not Provided
  - Refer to Earthquake, Flood and Sewer Backup Endorsement

**SUPPLEMENTAL INCOME COVERAGES (cont.)**

- Virus and Hacking Coverage
  - Limit Any One Occurrence \$
  - Limit Each Separate 12 month Period \$
  - Waiting Period \_\_\_\_\_ hours

**INCOME COVERAGE OPTIONS**

- Income Coverage Waiting Period
  - Not Applicable
  - Waiting Period 120 hours

Coinsurance



Not Applicable

100%     90%     80%     Other 0%



## COVERAGE FORMS AND ENDORSEMENTS

This is not a complete list of the forms and endorsements that may be attached to this policy. The entire list of forms and endorsements, including mandatory state endorsements which may apply, will be included with the issued policy.

<b>Form Number</b>	<b>Description</b>
HCM 050 0319	Contractor's Equipment Coverage Solutions



## SUMMARY

This premium may be subject to adjustment.

Coverage	Premium	TRIA*	Surcharges**	Total
Contractor's Equipment	\$ 31,058	\$ 621	N/A	\$ 31,679
Electronic Data Processing	\$ 3,732	\$ 75	N/A	\$ 3,807
<b>Total</b>	<b>\$34,790</b>	<b>\$696</b>	<b>N/A</b>	<b>\$35,486</b>

**\*Applicable Fire-Following Terrorism charge when Rejecting TRIA Coverage**

**\*\*State and Municipal Taxes, Fees and Surcharges**

Any reference to *Annual Aggregate* in this quote proposal refers to the most we will pay for covered loss over the policy term.

## PAY PLAN

### Agency Bill

with first installment paid 30 days after effective or issuance date, whichever is later, but not more than 60 days after the effective date.

**"Annual" pay option will apply if premium is financed. Please notify us when binding.**



## **NOTICE OF TERRORISM INSURANCE COVERAGE**

Terrorism Coverage Premium - Refer to the Summary section of this quotation.

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism, to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES:

- 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016;
- 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018;
- 81% BEGINNING ON JANUARY 1, 2019; AND
- 80% BEGINNING ON JANUARY 1, 2020

OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.



## BEAZLEY BREACH RESPONSE

## QUOTE

QUOTE ISSUED: 02-Jun-2020

USI Southwest, Inc. - Dallas, TX (Belt Line Rd)  
Bob Bookhammer  
5151 Belt Line Rd  
Ste 200  
Dallas, TX 75254-1460

RE: Webb County  
**INSURANCE QUOTE: BEAZLEY BREACH RESPONSE**

Dear Denise,

We are pleased to offer the following quote for the above captioned account.

This quote is strictly conditioned upon no material change in risk occurring between the date of this letter and the inception date of the proposed policy (including but not limited to any claim or notice of circumstances which may reasonably be expected to give rise to a claim under any policy of which the policy being proposed by this letter is a renewal or replacement). In the event of such change of risk, the Insurer may in its sole discretion, whether or not this offer has already been accepted by the Insured, modify and/or withdraw this offer.

For additional information on this product offering, please access our [marketing](#) materials.

Please be advised that if coverage is bound, premium must be remitted by the due date on the invoice.

Thank you for the opportunity to quote.

Best Regards,

Jenn Beard  
**Beazley Group**  
2101 CityWest BLVD  
Houston, TX 77042  
t: +1 832 423 0422  
e: jenn.beard@beazley.com

INSURED: Webb County

This quote will remain in effect until 01-Oct-2020.

<b>COVERAGE SCHEDULE (Currency in USD)</b>	
<b>LIMITS</b>	<b>OPTION #1</b>
<b>Breach Response</b>	
Notified Individuals:	250,000
Legal, Forensic & Public Relations/Crisis Mgmt:	\$2,500,000
<b>THE BREACH RESPONSE LIMITS ABOVE ARE IN ADDITION TO THE POLICY AGGREGATE LIMIT OF LIABILITY</b>	
<b>Policy Aggregate Limit of Liability:</b>	\$5,000,000
<b>Additional Breach Response Limit</b>	
Additional Breach Response Limit:	\$5,000,000
<b>First Party Loss</b>	
Business Interruption Loss:	
<i>Resulting from Security Breach</i>	\$5,000,000
<i>Resulting from System Failure</i>	\$5,000,000
Dependent Business Loss:	
<i>Resulting from Dependent Security Breach:</i>	\$5,000,000
<i>Resulting from Dependent System Failure</i>	\$1,000,000
Cyber Extortion Loss	\$5,000,000
Data Recovery Costs	\$5,000,000
<b>Liability</b>	
Data & Network Liability	\$5,000,000
Regulatory Defense & Penalties	\$5,000,000
Payments Cards Liabilities & Costs	\$5,000,000
Media Liability	\$5,000,000
<b>eCrime</b>	
Fraudulent Instruction	\$100,000
Funds Transfer Fraud	\$250,000
Telephone Fraud	\$250,000
<b>Criminal Reward</b>	
Criminal Reward	\$50,000
<b>RETENTIONS</b>	
<b>OPTION #1</b>	
<b>Breach Response</b>	
Legal, Forensic & Public Relations/Crisis Mgmt	\$10,000; \$5,000 for Legal
<b>Each Incident, Claim or Loss</b>	\$25,000
<b>PREMIUM</b>	<b>\$16,950</b>

INSURED: Webb County

This quote will remain in effect until 01-Oct-2020.

## GENERAL INFORMATION

**Quote Effective Until:** 01-Oct-2020

**Broker:** Bob Bookhammer  
USI Southwest, Inc. - Dallas, TX (Belt Line Rd)  
5151 Belt Line Rd  
Ste 200  
Dallas, TX 75254-1460

**Named Insured:** Webb County  
1110 Washington Street  
204  
Laredo, TX 78041

**Insurer:** Beazley Insurance Company, Inc. (Admitted)

**Underwriter:** Jenn Beard  
+1 832 423 0422  
jenn.beard@beazley.com

## POLICY INFORMATION

**Policy Period:** From: 01-Oct-2020 To: 01-Oct-2021  
Both at 12:01 a.m. Local Time at the Named Insured Address

**Continuity Date:** 01-Oct-2019

**Optional Extension Period:** 12 Months

**Optional Extension Premium:** 100% of the Annual Policy Premium

**Notified Individuals Threshold:** 100 Notified Individuals

**Waiting Period:** 10 Hours

**Policy Form:** Beazley Breach Response (F00653 112017 ed.) with  
  
BBR Information Pack

This policy provides coverage, for no additional charge, for loss arising out of "Certified Acts of Terrorism", as that term is defined in The Terrorism Risk Insurance Act of 2002, as amended. See your policy for complete information regarding this coverage.

ENDORSEMENTS EFFECTIVE AT INCEPTION		
-------------------------------------	--	--

1.	E11783072018	Computer Hardware Replacement Costs
2.	E13372092019	State Consumers Privacy Statutes Endorsement
3.	E13038062019	Reputation Loss <ul style="list-style-type: none"> <li>Note: \$1M</li> </ul>
4.	E12604012019	Amend Definition of Data
5.	E12967052019	Voluntary Shutdown Coverage
6.	E12968052019	Cryptojacking Endorsement <ul style="list-style-type: none"> <li>Note: \$250k</li> </ul>
7.	E10675012019	Contingent Bodily Injury Endorsement with Sublimit <ul style="list-style-type: none"> <li>Note: \$250k</li> </ul>
8.	E11848072018	Invoice Manipulation Coverage <ul style="list-style-type: none"> <li>Note: \$100k</li> </ul>
9.	E10944032019	Post Breach Remedial Services Endorsement
10.	E10602112017	War and Civil War Exclusion
11.	E10595112017	Asbestos, Pollution, and Contamination Exclusion Endorsement
12.	E11122012018	Cap on Losses Arising Out of Certified Act of Terrorism
13.	BICMU05090406	Nuclear Exclusion
14.	E02804032011	Sanction Limitation and Exclusion Clause
15.	E06928042015	Policyholder Disclosure Notice of Terrorism Insurance Coverage
16.	A00971TX112017	Texas Amendatory Endorsement
17.	A01110TX022014	Important Notice
18.	A01150TX032014	Notification of the Availability of Loss Control Information/Services - TEXAS
19.	E11439032020	Amendatory Endorsement <ul style="list-style-type: none"> <li>Note: USI</li> </ul>
20.	E12698022019	Amend Other Insurance Clause – Primary With Respect To Breach Response Services And First Party Loss
21.	E12961062019	Amend Definition of Computer Systems
22.	E13915052020	Employee Device Endorsement
23.	E12040092018	Recognize Erosion of Retention endorsement

# Beazley Breach Response (BBR) Information Pack

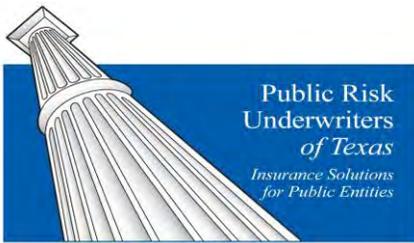
Our BBR information pack is now available online. To access the information pack visit [www.beazley.com/cyberservices](http://www.beazley.com/cyberservices).

We have migrated from a PDF to a web based version so you will always have access to the most up to date information.

Visit our cyber services page to access:

- A listing of your breach response services and our current panel of service providers.
- Information on the risk management tools and resources included with your policy including information on our in-house risk management portal, [www.beazleybreachsolutions.com](http://www.beazleybreachsolutions.com)
- The process for notifying Beazley of a breach and the ability to report a breach or breach incident online.

Visit [www.beazley.com/cyberservices](http://www.beazley.com/cyberservices)



**Public Risk Underwriters of Texas**

101 W. Renner Road, #300  
Richardson, TX 75082  
Main Number: 469-449-1516  
Fax Number: 469-449-1517

July 16, 2020

Bob Bookhammer  
USI Southwest, Inc.  
5151 Belt Line Road  
Dallas, TX 75254

**RE: Webb County Juvenile Alternative Education Program, TX  
Educators Legal and Employment Practices Liability**

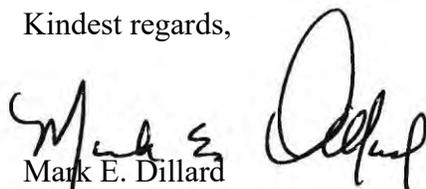
Dear Bob,

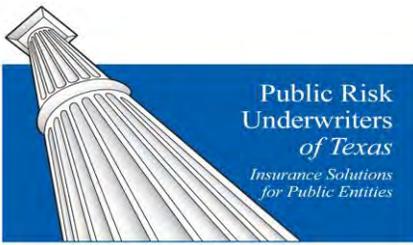
Thank you for your recent submission for the above referenced account. I am happy to present the attached proposal for your consideration.

Please note I have attached a Surplus Lines Acknowledgment Form. The Surplus Lines Acknowledgement form must be completed to verify that this placement is in compliance with all state specific surplus lines requirements.

Please review your proposal carefully and contact Chris Fuller at 832-257-0904 or e-mail at [cfuller@pru-tx.com](mailto:cfuller@pru-tx.com), if you have any questions or if we can be of any further assistance. Thank you.

Kindest regards,

  
Mark E. Dillard  
Vice President



**Public Risk Underwriters of Texas**  
 101 W. Renner Road, #300  
 Richardson, TX 75082  
 Main Number: 469-449-1516  
 Fax Number: 469-449-1517

**EDUCATORS LEGAL AND EMPLOYMENT PRACTICES LIABILITY QUOTATION  
 REVISED**

**JULY 16, 2020**

**PRODUCER:** Bob Bookhammer  
 USI Southwest, Inc.  
**ADDRESS:** 5151 Belt Line Road  
 Dallas, TX 75254

**APPLICANT:** Webb County Juvenile  
 Alternative Education Program  
**ADDRESS:** 111 Camino Nuevo Road  
 Laredo, TX 78043

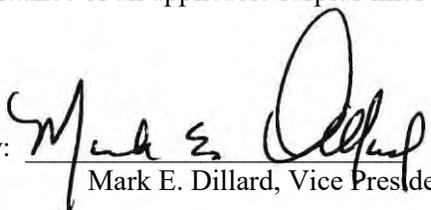
**INSURER: QBE SPECIALTY INSURANCE COMPANY**  
**BEST RATING: A XIV**  
**A SURPLUS LINES CARRIER**

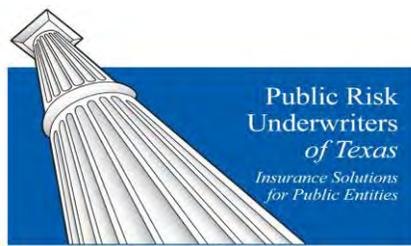
**PROPOSED INCEPTION:** To be determined

<b><u>POLICY LIMITS:</u></b>		<b><u>DEDUCTIBLE:</u></b>	<b><u>ANNUAL PREMIUM</u></b>
<u>Each Wrongful Act /</u>	<u>Annual Agg.</u>	<u>Including LAE</u>	
\$1,000,000 /	\$1,000,000	\$10,000	\$4,000
\$1,000,000 /	\$1,000,000	\$25,000	\$3,521
\$1,000,000 /	\$2,000,000	\$10,000	\$4,259
\$1,000,000 /	\$2,000,000	\$25,000	\$3,750

**TERMS, CONDITIONS AND SUBJECTIVITIES include but are not limited to:**

- \$150 Policy Fee in addition to the annual premium.
- Retroactive Date: Full Prior Acts
- Policy Form: QBPE-1000 (01-16)) A **CLAIMS - MADE** form.
- Completed, **signed and dated** PRU-TX application [Form: **PRU-TX ELL App (04/18)**] - **prior to binding.**
- Surplus Lines Acknowledgement Form **prior to binding.**
- Trade or Economic Sanctions Endorsement (QBIL-0285 (08-14))
- Nuclear Energy Exclusion (QBPE-2009 (01-16))
- 25% Minimum Earned Premium Endorsement (QBPE-2000 (01-16))
- Sexual Abuse Exclusion (QBPE-2016 (01-16))
- Service of Process Endorsement (QBIL-0217 (09-18))
- Any Notices or Disclosures required by the state regulatory agency.
- Your office will be responsible for the filing, collection, and remittance of all applicable surplus lines taxes and fees.
- Payment is due and payable within 30 days of inception.

Proposal prepared by:   
 Mark E. Dillard, Vice President

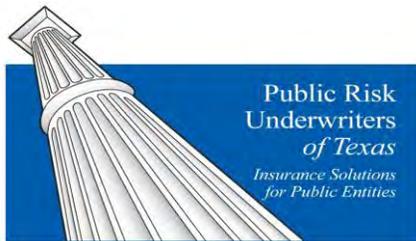


***If there have been any material changes since the application has been signed, you must immediately report the applicable changes to Public Risk Underwriters of Texas. In the event of a difference, the policy will prevail.***

This proposal is valid until 12:01 AM September 14, 2020. If we have not received a written request to bind coverage by then, we will close our file. This proposal may not match the coverage requested. Forms and endorsements are available upon request. If you have any questions or would like alternative proposals please contact us.

**REMINDER:** Only **PRU of Texas** has the authority to bind, alter, or cancel coverage on behalf of the carrier. Coverage cannot be assumed to be bound without written confirmation from an authorized representative of **PRU of Texas**.

An ERP is available for one, two or three years for an additional fully earned premium equal to 75%, 125%, or 150% respectively.



## SURPLUS LINES ACKNOWLEDGEMENT

Coverage for this Insured will be placed with a non-admitted carrier. The locally licensed surplus lines agent must complete this form and warrant that all of the insurance requirements of the Insured's home state will be complied with, including the filing and payment of all applicable surplus lines taxes and fees.

**Insured:** Webb County Juvenile Alternative  
Education Program  
111 Camino Nuevo Road  
Laredo, TX 78043

**Carrier:** **QBE Specialty Insurance Company**  
c/o Public Risk Underwriters of Texas  
101 W. Renner Road, Ste. 300  
Richardson, TX 75082

**Proposed Effective Date:**

**Policy Number:** (To be determined)

**Local Surplus Lines Agent** (Please print legibly)

<b>Name of Licensed Agent:</b>		
<b>Name of Agency:</b>		
<b>Agency Address:</b>		
Street Address		
City	State	Zip:
<b>Surplus Lines License Number:</b>		
Number		State
<b>Phone No.</b> _____	<b>FEIN No.</b> _____	
<b>Signature:</b> _____	<b>Date:</b> _____	
<p><b>Note:</b> *CA Agents: The undersigned ensures that this placement is in compliance with California Insurance Code section 1764, and that Disclosure Notice form D-1 has been signed by the Insured.</p>		

**Note:** This form must be completed and returned with the order to bind coverage. Failure to return this form could result in the refusal to bind your insurance coverage.



1100 Poydras Street, Suite 2150  
New Orleans, LA 70163  
Tel 504-310-3603 / Fax 504-310-3610

**TO:** Robert Bookhammer  
USI Southwest, Inc  
Dallas, TX 75254  
**EMAIL:** bob.bookhammer@usi.com

**FROM:** Roddy McMullen

**RISK ID:**  
**DATE SENT:** July 30, 2020

**REVISED AIRCRAFT INSURANCE QUOTATION**  
WITH  
**WESTCHESTER FIRE INSURANCE COMPANY**  
(AA S&P, A++ BEST)

In accordance with your request, we are pleased to provide the following REVISED quotation:

Please read this Quotation carefully, as the limits, coverage and other terms and conditions may vary significantly from those requested in your submission and/or from the expiring policy. Terms and conditions that are not specifically mentioned in this Quotation are not included. The terms and conditions of this Quotation supersede the submitted insurance specifications and all prior proposals and binders. Actual coverage will be provided by and in accordance with the policy as issued.

The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is reflected in the policy or in an agreement signed by someone authorized to bind the insurer.

This Quotation has been constructed in reliance on the data provided in the submission. A material change or misrepresentation of that data voids this Quotation.

This quotation is not a binder of insurance. In no event will this quotation remain open beyond 30 days from the quote issuance date shown above or the coverage effective date, whichever comes first.

This quotation is subject to the Assured's producer being duly licensed in his/her resident state; in addition, the producer must hold a non-resident license in the state in which the Assured is domiciled if different from the producer's resident state.

**NAMED INSURED:** Webb County Sheriff's Office

**NAMED INSURED'S ADDRESS:** 902 Victoria Street, Laredo, Texas, 78040

**BUSINESS OF NAMED INSURED:** Law Enforcement Agency

**PERIOD:** From: October 01, 2020 To: October 01, 2021  
both days at 12:01 a.m. Local Time at the address of the Named Insured

**LIABILITY COVERAGES:** The Liability Coverages, Limits of Liability and Liability Premiums applicable to each insured aircraft are as shown under the Aircraft Liability Section of the Schedule of Insured Aircraft. The liability coverage codes have the following meanings:

- A Bodily Injury Excluding Passengers
- B Property Damage
- C Passenger Bodily Injury
- D Single Limit Bodily Injury (including Passengers) and Property Damage

**HULL COVERAGES:** The hull coverage, Amount of Insurance, deductibles, premium and financial interest applicable to each insured aircraft are shown under the Aircraft Hull Section of the Schedule of Insured Aircraft. The aircraft hull coverage codes have the following meanings:

- F In Motion and Not In Motion coverage
- G Not In Motion coverage only
- H Not In Flight coverage only

**PURPOSE OF USE:** All uses required by the Named Insured

**PILOTS:** The pilots who may fly the Aircraft are as listed below, provided that those pilots have all of the qualifications as shown and provided also that all pilots are properly certificated, rated and qualified under the current F.A.A. regulations which apply to the operation of the Aircraft.

Any pilot approved by the Named Insured's Chief Pilot or by his or her designee.

**FINANCIAL INTEREST:** The Named Insured is the sole owner of the aircraft and no one else has any financial interest in the Aircraft.

**LOCATION OF THE AIRCRAFT:** The aircraft is based at Laredo International Airport (LRD), Laredo, Texas and is hangared

**TERRITORY:** While the Aircraft is anywhere in the world.

**SCHEDULE OF INSURED AIRCRAFT:**

F.A.A. Number	Year	Make and Model	Aircraft Type	Engine and HP	Total Seats Incl Crew
N62628	1968	Hughes 369A	R		4

**Applicable Liability Coverages, Limits of Liability and Premium**

F.A.A. Number	Coverage	Each Occurrence Limit	Each Passenger Sub-Limits	Med. Pay Limit Per Person	Liability Premium
N62628	D	\$10,000,000	Not Applicable	\$10,000	\$5,000

**Description of Aircraft, Hull Coverages and Hull Deductibles**

F.A.A. Number	Coverage	Amount Of Insurance	Not in Motion	In Motion	Ingestion	Hull Premium
N62628	F	\$250,000	\$1,000	\$7,500	\$7,500	\$8,750

**CONDITIONS:** Policy form: AC 101 (07/07) & AC 102 (11/98) which includes, inter alia, the following exclusion clauses: War and Other Perils Exclusion Clause, and Noise, Pollution and other Perils Exclusion Clause  
The policy is also subject to the following:

- 9001-TX (11/99) Texas Changes - Duties
- 9002-TX (11/99) Texas Changes - Conditions Requiring Notice

AC 100 (07/10)	Aircraft Policy - Jacket
AC 101 (07/07)	Aircraft Policy - Declarations
AC 101S (07/07)	Aircraft Policy - Schedule of Endorsements
AC 102 (11/98)	Aircraft Policy - Provisions
AC 103 (11/98)	Pilots Who May Fly The Aircraft
AC 107 (11/98)	Passenger Voluntary Settlement Endorsement <i>Additional Premium</i> \$Included <i>Limit of Settlement</i> \$100,000 Any One Passenger (including crew)
AC 108 (11/98)	Additional Insured Endorsement <i>"Anyone" that the "Named" Insured has agreed in a written contract or agreement to include as an additional insured provided such contract or agreement was executed prior to the "Occurrence" or "Offense" that resulted in injury or damage to which this policy applies.</i>
AC 109 (11/98)	Non-Owned Aircraft Liability Endorsement <i>Additional Premium:</i> \$Included <i>Max seating (including crew):</i> Twenty
AC 110 (11/98)	War, Hi-jacking and Other Perils Exclusion Clause (Aviation)
AC 112 (02/08)	Extended Coverage - War, Hi-Jacking and Other Perils Endorsement (Aviation Liabilities)
AC 1200 (02-05)	Governmental Entity Limited Enhanced Coverage Endorsement <i>Temporary Replacement Component Part Expense</i> \$50,000 <i>Maximum Daily Expense Limit</i> \$3,000 <i>Per Incident of Damage to the Aircraft Limit</i> \$180,000 <i>Spare Parts- Amount of Insurance Any One Location or Sending</i> \$1,000,000 <i>Spare Parts- Deductible Amount Each and Every Loss</i> \$2,500 <i>Personal Injury Liability Annual Aggregate Limit</i> \$10,000,000
AC 159 (11/98)	Nuclear Risk Exclusion Clause
AC 160 (11/98)	Aircraft Additional Equipment <i>Additional Premium:</i> \$993 <i>Equipment:</i> (1) Garmin GPS 530 (Amount of Ins \$6,000) (2) Garmin audio panel SL40 (Amount of Ins \$1,500) (3) Garmin GTX327 Transponder (Amount of Ins \$350) (4) Fargo auxiliary fuel tank (Amount of Ins \$4,500) (5) FLIR ultra 7000 camera (Amount of Ins 10,000) (6) Nightsun search light (Amount of Ins \$6,000) <i>Total Amount of Ins:</i> \$28,350 <i>Deductible:</i> \$1,000
AC 161 (11/98)	Date Recognition Exclusion Endorsement
AC 162 (11/98)	Date Recognition Limited Coverage Endorsement
AC 165 (01/15)	Amendment to Include Coverage for Certified Acts of Terrorism; Cap on Losses from Certified Acts of Terrorism
AC 167 (02/08)	Extended Coverage - War, Physical Damage Coverage Endorsement (Aircraft Physical Damage Coverage)
AC 168 (11/03)	Pollution Endorsement
AC 170 (01/15)	Limited Terrorism Coverage Endorsement
AC 174 (02/05)	Unearned Premium Insurance Endorsement <i>Additional Premium:</i> \$Included
AC 185 (02/05)	Emergency Landing Endorsement
AC 195 (02/05)	Cancellation Notification Change Endorsement <i>90 days NOC but 15 days NOC if we cancel because the premium is not paid.</i>
AC-TX (11/99)	Cancellation Notification - Texas
ALL-21101 (11/06)	Trade or Economic Sanctions Endorsement
ALL-4Y30F (06/15)	Texas Notice -Information and Complaints
TR-19604d (01/15)	Notice Of Terrorism Insurance Coverage

<b>PREMIUM:</b>	<b><u>HULLS</u></b>	<b><u>LIABILITIES</u></b>
<b>Basic Premium:</b>	<b>\$8,750</b>	<b>\$5,000</b>
<b>Additional Coverages:</b>	<b>\$993</b>	<b>Not Purchased</b>
<b>War Premium:</b>	<b>\$139</b>	<b>\$500</b>
<b>TRIA Premium:</b>	<b>\$139</b>	<b>\$500</b>
<b>War/TRIA Combined:</b>	<b>\$174</b>	<b>\$625</b>

Please note that you do not have authority to bind the above insurance. Please contact us if you wish to bind this insurance. We look forward to receiving your instructions and thank you for your inquiry.

On behalf of Westchester Fire Insurance Company

By 

Authorized Representative

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act.* The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury---in consultation with the Secretary of Homeland Security, and the Attorney General of the United States---to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015, 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017, 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.**

**YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.**

**Acceptance or Rejection of Terrorism Insurance Coverage**

	I hereby elect to purchase terrorism coverage for a prospective premium of <b>\$639</b>
	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

\_\_\_\_\_  
Policyholder/Applicant's Signature

**Webb County Sheriff's Office**  
Print Name

\_\_\_\_\_  
Date

**Westchester Fire Insurance Company**  
Insurance Company

Policy Number



A member of the Tokio Marine Group

## **Insurance Proposal for**

# **Webb County, TX**

**Policy Effective Date**

**10/1/2020**

**Policy Expiration Date**

**10/1/2021**

**Date:** 7/15/2020  
**To:** USI Southwest, Inc.  
**Attention:** Bob Bookhammer  
**From:** Codi Bolding  
**Named Insured:** Webb County, TX

We are pleased to present the following proposal for your consideration and review. This proposal is valid until the effective date indicated in this proposal.

**Option 1: Self-Insured Retention \$100,000**

<b>Line of Coverage</b>	<b>Premium and Surcharges</b>
General Liability Coverage	\$71,798
GL TRIA ( <i>Optional</i> )	\$2,872
Commercial Automobile Liability Coverage	\$82,692
Commercial Automobile Physical Damage Coverage	\$68,371
**Public Officials Liability Coverage	\$47,473
**Law Enforcement Liability Coverage	\$58,936
Excess Liability (\$3,000,000 limit)	\$57,974
Excess TRIA ( <i>Optional @ \$3,000,000 limit</i> )	\$2,319
Excess Liability (\$5,000,000 limit)	\$83,072
Excess TRIA ( <i>Optional @ \$5,000,000 limit</i> )	\$3,323

**Option 2: Self-Insured Retention \$150,000**

<b>Line of Coverage</b>	<b>Premium and Surcharges</b>
General Liability Coverage	\$64,949
GL TRIA ( <i>Optional</i> )	\$2,598
Commercial Automobile Liability Coverage	\$75,516
Commercial Automobile Physical Damage Coverage	\$68,371
**Public Officials Liability Coverage	\$42,350
**Law Enforcement Liability Coverage	\$52,723
Excess Liability (\$3,000,000 limit)	\$52,285
Excess TRIA ( <i>Optional @ \$3,000,000 limit</i> )	\$2,091
Excess Liability (\$5,000,000 limit)	\$74,931
Excess TRIA ( <i>Optional @ \$5,000,000 limit</i> )	\$2,997

Indicated premiums are based on all quoted lines of coverage being bound, according to the terms and conditions included within this proposal. With the exception of Surplus Lines, the taxes, surcharges, assessments and other program costs are included within the premium for each line of coverage offered by Safety National Casualty Corporation. Premiums are fully earned when bound.

\*\* These coverages are offered by Safety Specialty Insurance Company, a Surplus Lines Carrier. Premium does not include any surplus lines taxes and fees. Filing, collection and remittance of all Surplus Lines taxes and fees will be your responsibility.

Safety National may consider providing revised or additional quote options for individual lines of coverage subject to further underwriting review and approval.

Unless otherwise noted, all references in this proposal to policy coverage parts and forms, depicts the product offering of Safety National. These may deviate from the coverage requests or wording contained within the Producer Specifications or other portions of the account submission.

Any deviations from this proposal must be approved and authorized by Safety National, in writing.

For additional information on the products and services proudly provided by Safety National, please visit our website: [www.safetynational.com](http://www.safetynational.com)

## General Contingencies and Comments

<b>Risk Control Services</b>	All Safety National Clients have access to MAP, our online Safety and Risk Control resource.
<b>Coverage Contingencies</b>	<p><b>The casualty program is contingent upon also binding the Excess Workers' Compensation program with Safety National.</b></p> <p>Premiums quoted are based on all coverages offered within this proposal and must be written by Safety National Casualty Corporation or Safety Specialty Insurance Company.</p>
<b>Installments/Payment Schedule</b>	All lines are on an Annual Pay Plan. Premiums due within 30 days of binding. Premiums are fully earned when bound.
<b>Claims Administration</b>	Claims are handled by Tri-Star.
<b>TPA Fees</b>	TPA fees are NOT included within the premium or costs of the quoted Safety National program, unless otherwise noted herein.
<b>Annual Audits</b>	General Liability, Auto Liability, and Specialty Lines are not auditable.
<b>Surplus Lines Taxes and Fees</b>	The broker is responsible for the filing, collection, and remittance of all applicable surplus lines taxes and fees.



- ❖ **Management:** Several resources that offer a wealth of information and assistance to help your organization develop and maintain a successful safety and claim cost management program.
- ❖ **Analysis:** A variety of tools that provide the ability to measure, benchmark, and analyze different aspects of your programs to clearly identify opportunities for improvement.
- ❖ **Prevention:** A selection of assets to help improve your loss prevention and mitigation efforts – from educating employees about potential injury exposures, to helping build proficient post-injury protocol.

### Resources include:

**Safety Essentials Online:** This online resource library provides customizable and downloadable training tools to help improve safety and health compliance, best practices, policies, and written programs.

**S:ERVE:** Safety Emergency Responder Vehicle Education (S:ERVE) is an online driver simulation and curriculum created to educate first responders to drive at their safest during intersection negotiation scenarios.

**Distracted Driving Course:** A course designed to train all employees that drive on the job. Through online simulation, employees will learn how to eliminate controllable distractions and how to make necessary adjustments for uncontrollable distractions.

**Ask Best Doctors:** A Best Doctors specialist will perform three phases of this program for injured workers at high risk for adverse developments in their medical condition. Available exclusively to our workers' compensation policyholders.

**Crisis Protection:** A benefit in place if your entity undergoes a qualifying "Domestic Crisis Event" which aids in crisis management, public relations, or emergency psychological treatment. Available exclusively to our workers' compensation & general liability policyholders.

**HR Essentials Online:** A Human Resource management and compliance resource library. From hiring practices and writing job descriptions, to training managers and understanding the ever-complicated leave laws, this tool delivers the HR resources that every organization needs to succeed. Available exclusively to our employment practices liability policyholders.

**Law Enforcement Liability Resources:** A best practices resource program to help address your current program's capabilities and develop formal policies and procedures to address areas that are particularly vulnerable to lawsuits, including jail and detention operations, use of force, and arrest procedures. Available exclusively to our law enforcement liability policyholders.

*For more information, please contact MAP Client Services at [map@safetynational.com](mailto:map@safetynational.com) or 888-995-5300.*

**Commercial General Liability Proposal**  
**Safety National Casualty Corporation**  
**A.M. Best Rating A+ XV**  
**Self-Insured Retention Program**



Named Insured      Webb County, TX  
 Effective Date      10/1/2020  
 Expiration Date      10/1/2021

**CGL Coverage Form (CG 00 01)**

**Limits of Liability**

General Aggregate Limit	\$4,000,000 Other than Prod/Comp Ops
Products/Completed Operations Aggregate Limit	\$4,000,000
Each Occurrence Limit	\$2,000,000 Combined BI & PD
Personal and Advertising Injury Limit	\$2,000,000 Any One Person or Org
Damages to Premises Rented to You Limit	\$500,000 including Fire Damage Legal

**Employee Benefits Liability Coverage**

**Limits of Liability**

Claims Made Form (SNGL 054)

Aggregate Limit	\$4,000,000
Each Employee Limit	\$2,000,000
Retroactive Date	10/1/1989

**Coverage Retention Form (SNGL 024)**

**Amount**

**ALAE Treatment**

CGL - Each Occurrence	Option 1: \$100,000; Option 2: \$150,000	ALAE Within Retention Paid By Insured
Personal and Advertising Injury	Option 1: \$100,000; Option 2: \$150,000	
Damages to Premises Rented to You	Option 1: \$100,000; Option 2: \$150,000	
Employee Benefits Liability	Option 1: \$100,000; Option 2: \$150,000	

## General Liability Coverages / Endorsements

<b>Mandatory State Endorsements</b>	<b>As required by covered states</b>
Total Pollution Exclusion W/ Hostile Fire Exception	CG 21 55
Nuclear Energy Liability Exclusion	IL 00 21
Fungi or Bacteria Exclusion	CG 21 67
Silica Exclusion	CG 21 96
Asbestos Exclusion	SNGL 044
Lead Exclusion	SNGL 043
Employment Related Practices Exclusion	CG 26 39
Law Enforcement Exclusion	CG 22 51
ERISA Exclusion	SNGL 002
Amended Definition of Bodily Injury	SNGL 004
Unintentional Failure to Disclose Hazards or Occurrences	SNGL 021
Co-Employee Exclusion Deleted	SNGL 012
Failure to Supply Exclusion	CG 22 50
Injury to Volunteer Firefighters Exclusion	CG 22 56
Deletion of Premium Audit Condition	SNGL 053
Designated Additional Insured (Broad Form)	SNGL 022
Governmental Subdivisions Endorsement	CG 24 09
Access or Disclosure of Confidential or Personal Information And Data-Related Liability Exclusion	CG 21 07
Employee Benefits Liability Coverage with Self-Insured Retention	SNGL 054
Coverage C- Medical Payments Exclusion	CG 21 35
Self-Insured Retention Endorsement	SNGL 024
Sexual Abuse or Molestation Coverage	GLM 007-2
Emergency Medical Treatment – Amended Who Is An Insured	GLMAN 008
TRIA Policyholder Disclosure Notice	Per attached disclosure- Signed copy must be received prior to binding of coverage

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE  
(General Liability)**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended, extended, and/or re-authorized, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury – in concurrence with the Secretary of State and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT, AS WELL AS INSURERS’ LIABILITY, FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM. IF THE AGGREGATE INSURED LOSS FOR ALL INSURERS EXCEEDS \$100 BILLION IN A CALENDAR YEAR, YOUR COVERAGE MAY THUS BE REDUCED.

**Acceptance or Rejection of Terrorism Insurance Coverage with regard to General Liability**

<input type="checkbox"/>	I hereby elect to purchase terrorism coverage for a prospective premium of \$2,872.
<input type="checkbox"/>	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

\_\_\_\_\_  
*Applicant’s Signature*

**Safety National Casualty Corporation®**

*Insurance Company*

\_\_\_\_\_  
*Insured Name*

\_\_\_\_\_  
*Date Signed*

**Commercial Auto Liability Proposal**  
**Safety National Casualty Corporation**  
**A.M. Best Rating A+ XV**  
**Self-Insured Retention Program**



Named Insured        Webb County, TX  
 Effective Date        10/1/2020  
 Expiration Date       10/1/2021

<u>CA Coverage Form (CA 00 01)</u>	<u>Symbol</u>	<u>Limits of Liability</u>
Auto Liability – Any One Accident	1,8	\$2,000,000 Combined Single Limit – Bodily Injury & Property Damage
Personal Injury Protection (PIP)	5	Rejected
Auto Medical Payments	2	Rejected
Uninsured/Underinsured Motorist (UM/UIM)	2	\$100,000

<u>Physical Damage Coverage</u>	<u>Symbol</u>	<u>Limits of Liability</u>
Comprehensive Coverage	10	ACV, for scheduled vehicles
Collision Coverage	10	ACV, for scheduled vehicles

<u>Coverage Retention Form (SNCA 022)</u>	<u>Amount</u>
Auto Liability – Any One Accident	Option 1: \$100,000; Option 2: \$150,000
Comprehensive Coverage	\$5,000
Collision Coverage	\$5,000

## Automobile Liability Coverages / Endorsements

<b>Mandatory State Endorsements</b>	<b>As required by covered states</b>
Self-Insured Retention Endorsement	SNCA 022
Public Entity Endorsement	SNCA 029
Broad Form Named Insured	SNCA 038
Unintentional Failure to Disclose Material Facts	SNCA 028
Unintentional Failure to Provide Notice of Accident or Loss	SNCA 030
Exclusion of Federal Employees Using Autos in Government Business	CA 04 42
Audio, Visual, & Data Electronic Equipment Coverage- Fire, Police, & Emergency Vehicles	CA 20 02
Emergency Services - Volunteer Firefighters' and Workers' Injuries Excluded	CA 20 30
Silica Exclusion	CA 23 94
Amphibious Vehicles	CA 23 97
Public Transportation Autos	CA 24 02
Hired Autos Specified as Covered Autos you Own	CA 99 16
Waiver of Premium Audit Condition	CAM 001
Nuclear Energy Liability Exclusion	IL 00 2
Auto Physical Damage Deductibles Applies to Fire & Lightning	CAM 002
Covered Auto Designation Symbol (Grant, Leased, Meals on Wheels, Head Start, CAA, Trailers)	CA 99 54
UM/UIM, PIP, and/or Med Pay coverage	If the insured's intent is to reject UM/UIM, PIP, and/or Med Pay coverage in states that allow total rejection and the state mandatory forms are not signed, dated and returned prior to a loss, the insured's SIR will apply to the claim, if payments are made.

**Public Officials & Employment Practices  
Liability Proposal**

**Safety Specialty Insurance Company  
A.M. Best Rating A+ XV  
Self-Insured Retention Program**



Named Insured      Webb County, TX  
Effective Date      10/1/2020  
Expiration Date     10/1/2021

**POL/EPL Coverage Form (POEPCM 0416)**      **Limits of Liability**

Claims Made Form

Annual Aggregate Limit	\$2,000,000
Each Wrongful Act	\$2,000,000

**Coverage Retention Form (ILSIR 0716)**      **Amount**

Each Wrongful Act (including LAE)	Option 1: \$100,000; Option 2: \$150,000
Retroactive Date:	10/01/1989

**Forms:**

- Mandatory State Forms
- Non-Stacking of Limits Endorsement – Form ILNONSTACK 0416
- Punitive Damages Where Allowed by Texas Law – ESM 021

**Law Enforcement Liability Proposal**  
**Safety Specialty Insurance Company**  
**A.M. Best Rating A+ XV**  
**Self-Insured Retention Program**



Named Insured        Webb County, TX  
 Effective Date        10/1/2020  
 Expiration Date       10/1/2021

**LEL Coverage Form (LELPOF 0416)**                      **Limits of Liability**

Occurrence Form

Annual Aggregate Limit	\$2,000,000
Each Occurrence Limit	\$2,000,000

**Coverage Retention Form (ILSIR 0716)**                      **Amount**

Each Occurrence (including LAE)	Option 1: \$100,000; Option 2: \$150,000
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**Forms:**

- Mandatory State Forms
- Non-Stacking of Limits Endorsement – Form ILNONSTACK 0416
- Punitive Damages Where Allowed by Texas Law – ESM 016

**Commercial Excess Liability Proposal**  
**Safety National Casualty Corporation**  
**A.M. Best Rating A+ XV**  
**Self-Insured Retention Program**



Named Insured      Webb County, TX  
 Effective Date      10/1/2020  
 Expiration Date      10/1/2021

**Commercial Excess Coverage Form (CX 00 01)      Limits of Liability**

General Aggregate Limit	\$3,000,000 or \$5,000,000
Each Occurrence Limit	\$3,000,000 or \$5,000,000

**Underlying Insurance      Limits of Liability**

General Liability Coverage	\$2,000,000/\$4,000,000
Commercial Automobile Liability Coverage	\$2,000,000 CSL
Public Officials Liability Coverage	\$2,000,000/\$2,000,000
Law Enforcement Liability Coverage	\$2,000,000/\$2,000,000
Employers Liability	\$2,000,000/\$2,000,000/\$2,000,000

All underlying coverages must be bound through Safety National Casualty Corporation or Safety Specialty Insurance Company.

**Exclusions:**

In addition to all exclusions in the underlying Insurance, the following will also be excluded:

- 1.) Terrorism      CX 21 33
- 2.) Failure to Supply      XLM 001
- 3.) Sexual Abuse or Molestation      CX 21 33

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE  
(Excess Liability)**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended, extended, and/or re-authorized, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury – in concurrence with the Secretary of State and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT, AS WELL AS INSURERS’ LIABILITY, FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM. IF THE AGGREGATE INSURED LOSS FOR ALL INSURERS EXCEEDS \$100 BILLION IN A CALENDAR YEAR, YOUR COVERAGE MAY THUS BE REDUCED.

**Acceptance or Rejection of Terrorism Insurance Coverage with regard to Excess Liability**

<input type="checkbox"/>	I hereby elect to purchase terrorism coverage for a prospective premium of \$2,319.
<input type="checkbox"/>	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

\_\_\_\_\_  
*Applicant’s Signature*

**Safety National Casualty Corporation®**

*Insurance Company*

\_\_\_\_\_  
*Insured Name*

\_\_\_\_\_  
*Date Signed*



Wrap+®

**Kristen E Marshall**

1301 E. Collins Blvd, Ste 111

RICHARDSON, TX 75081

Phone: (214) 570-6849

Email: [KEMARSHA@travelers.com](mailto:KEMARSHA@travelers.com)

July 16, 2020

Robert Bookhammer  
USI SOUTHWEST INC  
5151 BELT LINE RD STE 200  
DALLAS, TX 75254

**RE: Insured Name:** WEBB COUNTY  
1110 WASHINGTON STREET, SUITE 204  
LAREDO, TX 78040

**Expiring Policy Number:** 106802814

**Policy Period:** October 1, 2020 to October 1, 2021

Dear Denise McAvoy:

On behalf of **Travelers Casualty and Surety Company of America** we are pleased to provide the attached proposal of insurance for your review.

The quotes contained in this document are valid until the expiration of your current policy, and are subject to the provision of, and Travelers' review and acceptance of, the required underwriting information noted in the Contingencies section. Travelers reserves the right to change the quotes in this document, or to refuse to bind coverage entirely, based on review of the required underwriting information or based on adverse change in the risk(s) to be insured prior to the quote expiration date noted in this document.

Please note that we require a response to this document prior to expiration of the Insured's current policy in order to facilitate policy renewal. The insured's current policy will expire and not be renewed in the absence of a request, and Travelers' agreement, to bind coverage.

Travelers is pleased to offer Risk Management PLUS+ Online<sup>®</sup>, the industry's most comprehensive program for mitigating your management liability exposures, which is available to you at no additional cost. Please visit [www.rmplusonline.com](http://www.rmplusonline.com) to view the services that are available. If you have additional questions about the site please contact your Underwriter.

Travelers Casualty and Surety Company of America, a subsidiary of The Travelers Companies, Inc., has consistently earned high ratings for financial strength and claims-paying ability from independent rating services, including a current A.M. Best rating of A++\*. Founded in 1853, The Travelers Companies, Inc. is a Fortune 500 company, a component of the Dow Jones Industrial Average, and a leading provider of property casualty insurance for businesses.

Thank you for considering Travelers for your client's insurance coverages. We look forward to discussing this opportunity with you.

Sincerely,

**Kristen E Marshall**

Travelers Bond & Specialty Insurance

\*A.M. Best's rating of A++ applies to Travelers Casualty and Surety Company of America as well as to certain insurance subsidiaries of Travelers that are members of the Travelers Insurance Companies pool; other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit [www.travelers.com](http://www.travelers.com). Ratings listed herein are as of October 2019, are used with permission, and are subject to changes by the rating services. For the latest rating, access [www.ambest.com](http://www.ambest.com).

**Travelers Casualty and Surety Company of America**  
**QUOTE OPTION #1**

**CRIME COVERAGES:**

Crime Insuring Agreements	Single Loss Limit of Insurance	Single Loss Retention	Crime Insuring Agreements	Single Loss Limit of Insurance	Single Loss Retention
<b>A - Fidelity</b> 1. Employee Theft 2. ERISA Fidelity 3. Employee Theft of Client Property	See Endorsement Not Covered Not Covered		<b>F - Computer Crime</b> 1. Computer Fraud 2. Computer Program and Electronic Data Restoration Expense	\$150,000 \$100,000	\$2,500 \$1,000
<b>B - Forgery or Alteration</b>	\$200,000	\$1,000	<b>G - Funds Transfer Fraud</b>	\$150,000	\$2,500
<b>C - On Premises</b>	\$150,000	\$2,500	<b>H - Personal Accounts Protection</b> 1. Personal Accounts Forgery or Alteration 2. Identity Fraud Expense Reimbursement	\$150,000 \$25,000	\$2,500 \$0
<b>D - In Transit</b>	\$150,000	\$2,500	<b>I - Claim Expense</b>	\$15,000	\$0
<b>E - Money Orders and Counterfeit Money</b>	\$150,000	\$2,500			

Insured's Premises Covered: Worldwide, except

**TOTAL ANNUAL PREMIUM - \$6,000.00**

(Other term options listed below, if available)

**LIMIT DETAIL:**

Shared Additional Defense Limit of Liability: N/A

Crime Policy Aggregate Limit of Insurance: N/A

**PREMIUM DETAIL:**

Term	Payment Type	Premium	Taxes	Surcharges	Total Premium	Total Term Premium
1 Year	Prepaid	\$6,000.00	\$0.00	\$0.00	\$6,000.00	\$6,000.00

**POLICY FORMS APPLICABLE TO QUOTE OPTION # 1:**

CRI-2001-0109 Crime Declarations Page  
CRI-3001-0109 Crime Policy Form

**ENDORSEMENTS APPLICABLE TO QUOTE OPTION # 1:**

ACF-7006-0511 Removal of Short-Rate Cancellation Endorsement  
CRI-19072-0315 Global Coverage Compliance Endorsement – Adding Financial Interest Coverage and Sanctions Condition and Amending Territory Condition  
CRI-19085-0919 Social Engineering Fraud Insuring Agreement Endorsement  
CRI-19097-0517 Replace Exclusion BB. Endorsement  
CRI-4019-0911 Texas Changes Endorsement  
CRI-5044-0613 Texas Cancellation or Termination Endorsement  
CRI-7026-0713 Amend Cancellation As To Any Employee Endorsement  
CRI-7059-0109 Amend Definition of Employee Endorsement  
CRI-7087-0109 Amended Duties in the Event of Loss - Knowledge by Corporate Officials Endorsement  
CRI-7126-0109 Government Entity Crime Endorsement - Faithful Performance of Duty  
CRI-7129-0109 Government Entity Crime Endorsement Including Coverage for Treasurers and Tax Collectors

**CONTINGENCIES APPLICABLE TO QUOTE OPTION # 1:**

*This quote is contingent on the acceptable underwriting review of the following information prior to the quote expiration date.*

None

**QUOTE NOTES:****NOTICES:**

It is the agent's or broker's responsibility to comply with any applicable laws regarding disclosure to the policyholder of commission or other compensation we pay, if any, in connection with this policy or program.

**Important Notice Regarding Compensation Disclosure**

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: [http://www.travelers.com/w3c/legal/Producer\\_Compensation\\_Disclosure.html](http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html)

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Agency Compensation, One Tower Square, Hartford, CT 06183.

**Coverage Disclaimer:**

**THIS QUOTE DOES NOT AMEND, OR OTHERWISE AFFECT, THE PROVISIONS OR COVERAGE OF ANY RESULTING INSURANCE POLICY ISSUED BY TRAVELERS. IT IS NOT A REPRESENTATION THAT COVERAGE DOES OR DOES NOT EXIST FOR ANY PARTICULAR CLAIM OR LOSS UNDER ANY SUCH POLICY. COVERAGE DEPENDS ON THE APPLICABLE PROVISIONS OF THE ACTUAL POLICY ISSUED, THE FACTS AND CIRCUMSTANCES INVOLVED IN THE CLAIM OR LOSS AND ANY APPLICABLE LAW.**

**THE PRECEDING OUTLINES THE COVERAGE FORMS, LIMITS OF INSURANCE, POLICY ENDORSEMENTS AND OTHER TERMS AND CONDITIONS PROVIDED IN THIS QUOTE. ANY POLICY COVERAGES, LIMITS OF INSURANCE, POLICY ENDORSEMENTS, COVERAGE SPECIFICATIONS, OR OTHER TERMS AND CONDITIONS THAT YOU HAVE REQUESTED THAT ARE NOT INCLUDED IN THIS QUOTE HAVE NOT BEEN AGREED TO BY TRAVELERS. PLEASE REVIEW THIS QUOTE CAREFULLY AND IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR TRAVELERS REPRESENTATIVE.**



July 16, 2020

**WEBB COUNTY**  
1110 WASHINGTON STREET, SUITE 204  
LAREDO, TX 78040

Re: Important Information about **Claims Information Line**

Dear **WEBB COUNTY**

Travelers Bond & Specialty Insurance is pleased to announce its **1-800-842-8496** Claims Information Line. This line is designed to provide insureds with an additional resource on how to report claims or those circumstances or events which may become claims.

Policyholders will be able to obtain assistance on the following topics from the Claims Information Line:

- The information that needs to be included with the claim notice
- The address, electronic mail address and/or facsimile number to which the policyholder can send claims related information
- Get questions on the claim process answered

The Declarations Page of your policy sets forth where you should report claims and claims related information. You should also review the policy's reporting requirements to be aware of how much time you have to report a claim to Travelers. The sooner Travelers is notified, the sooner we can become involved in the process and offer assistance to our policyholder. A delay in reporting may result in all or part of a matter to fall outside of the coverage provided.

The Claims Information Line should streamline the claim reporting process and allow policyholders to ask questions on what information is needed as well as other questions which will assist them in working with Travelers. While the Claims Information Line provides policyholders a valuable resource by answering questions and providing information, the line does not replace the reporting requirements contained in the Policy.

We hope this improvement to customer service is something our policyholders will find helps them understand the claim process and provides them a resource for reporting.

Best regards,  
**Kristen E Marshall**



One Tower Square  
Hartford, CT 06183

7/16/2020

WEBB COUNTY

1110 WASHINGTON STREET, SUITE 204  
LAREDO, TX 78040

**RE: Risk Management PLUS+ Online® from Travelers Bond & Specialty Insurance ([www.rmplusonline.com](http://www.rmplusonline.com))**

As a Travelers Bond & Specialty Insured you receive risk management services, at no additional cost, to help protect you and your business.

Risk Management PLUS+ Online, is a robust website to assist you in the mitigation of risk relative to employment practices, directors and officers, fiduciary liability, cyber, crime, kidnap & ransom, and identity fraud exposures.

Highlights of Risk Management PLUS+ Online include:

- Thousands of articles on a variety of risk management topics
- Topical webinars and podcasts on current issues
- Checklists to assist in managing risk
- Web based training
- Model Employee Handbook, including policies and forms for downloading or printing that reduce risks in the workplace.

The following Risk Management PLUS+ Online Registration Instructions contain easy, step-by-step instructions to register for this valuable tool. For more information, call 1-888-712-7667 and ask for your Risk Management PLUS+ Online representative. It's that simple.

Thank you for choosing Travelers Bond & Specialty Insurance for your insurance needs. Travelers is a market leader in providing management liability and crime coverages that are specifically customized for your organization.

#### Instructions for Registration & Orientation to Risk Management PLUS+ Online®

##### *Registration for Site Administrators:*

The Site Administrator is the person in your organization who will oversee Risk Management PLUS+ Online for the organization. The Site Administrator is typically a person who leads human resources and/or financial functions or is responsible for legal matters pertaining to personnel. The Site Administrator may add other Site Administrators later to assist with their responsibilities. To register:

1. Go to [www.rmplusonline.com](http://www.rmplusonline.com).
2. In the Sign-In box, click **Register**.
3. Enter the password/passcode: TRVP110000
4. Fill in the Registration Information and click **Submit**.
5. Your organization is registered, and you are registered as Site Administrator.

##### *Learning to Navigate the Site:*

1. Go to [www.rmplusonline.com](http://www.rmplusonline.com). On each page, you will see a box outlined in blue that contains the instructions for use of that page.
2. If you have any questions, just click on **Contact Us** on the front page. Enter your question in the form provided, and the System Administrator will get back to you quickly with the answer.
3. You can also schedule a live walk-through of the site by sending a request for a walk-through via the contact link on the front page.

**CRIME TERMS AND CONDITIONS****PLEASE READ ALL TERMS AND CONDITIONS CAREFULLY****CONSIDERATION CLAUSE**

**IN CONSIDERATION** of the payment of the premium stated in the Declarations, and subject to the Declarations and pursuant to all the terms, conditions, exclusions and limitations of this **Crime Policy**, the Company will pay the **Insured** for direct loss that the **Insured** sustains which is directly caused by a **Single Loss** taking place at any time and which is **Discovered** by the **Insured** during the **Policy Period** or during the Extended Period to Discover Loss pursuant to the terms set forth in Section V. CONDITIONS A. GENERAL CONDITIONS 3. Extended Period to Discover Loss.

**I. INSURING AGREEMENTS**

This **Crime Policy** provides coverage under each of the following Insuring Agreements. Notwithstanding the aforesaid, if ITEM 5 of the Declarations indicates that any Insuring Agreement is “*Not Covered*,” then such Insuring Agreement and any other reference thereto is deemed to be deleted from this **Crime Policy**.

**A. FIDELITY**

## 1. Employee Theft

The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, **Money, Securities** and **Other Property** directly caused by **Theft** or **Forgery** committed by an **Employee**, whether identified or not, acting alone or in collusion with other persons.

## 2. ERISA Fidelity

The Company will pay the **Insured** for direct loss of, or direct loss from damage to, **Money, Securities** and **Other Property** that belongs to an **Employee Benefit Plan**, directly caused by **Theft** or **Forgery** committed by a **Fiduciary**, whether identified or not, acting alone or in collusion with other persons.

## 3. Employee Theft of Client Property

The Company will pay the **Insured** for direct loss of, or direct loss from damage to, **Money, Securities** and **Other Property** sustained by the **Insured's Client**, directly caused by **Theft** or **Forgery** committed by an identified **Employee**.

**B. FORGERY OR ALTERATION**

The Company will:

1. pay the **Insured** for the **Insured's** direct loss directly caused by **Forgery** or alteration of, on or in any written **Covered Instruments** that are:

- a. made by, drawn by, or drawn upon, the **Insured**, or purport to have been so made or drawn; or
  - b. made or drawn by one acting as the **Insured's** agent, or purport to have been so made or drawn; and
2. reimburse the **Insured** for reasonable legal defense expenses that the **Insured** has paid if the **Insured** is sued for refusing to pay any written **Covered Instrument** under this Insuring Agreement B. on the basis that it has been **Forged** or altered. Reimbursement of such legal expenses is conditioned upon the **Insured's** receipt of the Company's prior written consent to defend against such suit. The amount of any legal expenses reimbursed under Insuring Agreement B. is in addition to the applicable Single Loss Limit of Insurance for Insuring Agreement B.

A signature that is a mechanical or electronic reproduction of a handwritten signature produced by a mechanical check-writing machine or a computer printer is treated the same as a handwritten signature. An **Electronic Signature** is not treated the same as a mechanical or electronic reproduction of a handwritten signature and is not a **Forgery** under this Insuring Agreement B.

For purposes of this Insuring Agreement B., the term "check" includes a "substitute check" as defined in the Check Clearing for the 21<sup>st</sup> Century Act, and will be treated the same as the original it replaced.

#### C. ON PREMISES

The Company will pay the **Insured** for:

1. the **Insured's** direct loss of **Money** or **Securities** located inside the **Premises** or **Financial Institution Premises** directly caused by **Theft**, committed by a person present inside such **Premises** or **Financial Institution Premises**;
2. the **Insured's** direct loss of **Money** or **Securities** located inside the **Premises** or **Financial Institution Premises** directly caused by disappearance, damage or destruction;
3. the **Insured's** direct loss of, or direct loss from damage to, **Other Property** located inside the **Premises**:
  - a. directly caused by an actual or attempted **Robbery**; or
  - b. in a safe or vault, directly caused by an actual or attempted **Safe Burglary**; and
4. the **Insured's** direct loss from damage to the **Premises** or its exterior resulting directly from an actual or attempted **Theft, Robbery** or **Safe Burglary**, if the **Insured** is the owner of the **Premises** or is liable for damage to it; or
5. the **Insured's** direct loss of, or loss from damage to, a locked safe, vault, cash register, cash box or cash drawer located inside the **Premises** resulting directly from an actual or attempted **Theft, Robbery** or **Safe Burglary**, if the **Insured** is the owner of the locked safe, vault, cash register, cash box or cash drawer or is liable for damage thereto.

#### D. IN TRANSIT

1. The Company will pay the **Insured** for the **Insured's** direct loss of **Money** or **Securities** directly caused by **Theft**, disappearance, damage or destruction while in transit outside the **Premises** and in the care and custody of:

- a. **a Messenger**, including while temporarily within the living quarters of a **Messenger**; or
  - b. an armored motor vehicle company.
2. The Company will pay the **Insured** for the **Insured's** direct loss of, or the **Insured's** direct loss from damage to, the **Insured's Other Property** directly caused by an actual or attempted **Robbery** while in transit outside the **Premises** and in the care and custody of:
    - a. **a Messenger**; or
    - b. an armored motor vehicle company.
  3. The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, the **Insured's Other Property** directly caused by an actual or attempted **Theft** of the **Insured's Other Property** while it is temporarily within the living quarters of a **Messenger**.

Coverage under this Insuring Agreement D. begins immediately upon receipt of the **Money, Securities** or **Other Property** by the transporting party and ends immediately upon delivery to the designated recipient or its agent.

#### E. MONEY ORDERS AND COUNTERFEIT MONEY

The Company will pay the **Insured** for the **Insured's** direct loss directly caused by the **Insured's** good faith acceptance of:

1. original money orders, issued or purportedly issued by any post office, express company or bank located in the United States of America, its territories and possessions, Canada, or any other country in which the **Insured** maintains a physical **Premises**, that are not paid upon presentation; or
2. **Counterfeit Money**, of the United States of America, its territories and possessions, Canada, or any other country in which the **Insured** maintains a physical **Premises** that is acquired during the regular course of business;

in exchange for merchandise, **Money** or services.

#### F. COMPUTER CRIME

1. Computer Fraud

The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, **Money, Securities** and **Other Property** directly caused by **Computer Fraud**.

2. Computer Program and Electronic Data Restoration Expense

The Company will pay the **Insured** for reasonable **Restoration Expense** that the **Insured** incurs to restore or replace damaged or destroyed **Computer Programs** or **Electronic Data** stored within the **Insured's Computer System** directly caused by a **Computer Violation**.

For purposes of this Insuring Agreement F.2., a **Single Loss** involving **Computer Program** and **Electronic Data Restoration Expense** applies to reasonable **Restoration Expense** incurred by the **Insured** between the time the **Insured Discovers** the damage or destruction and the time the

**Insured's Computer Program** or **Electronic Data** is restored to the level of operational capability that existed immediately preceding a **Computer Violation**. Recurrence of the same **Computer Virus** after the **Insured's Computer Program** or **Electronic Data** has been restored constitutes a separate **Single Loss**.

Payment of reasonable **Restoration Expense** applies:

- a. only to **Computer Programs** and **Electronic Data** which the **Insured** owns or leases, or for which the **Insured** is legally liable; and
- b. only if the **Insured** is unable to reproduce such **Computer Programs** or **Electronic Data** from back-up data copies.

Payment of reasonable **Restoration Expense** will be made to the **Insured** upon the completion of the restoration of the damaged or destroyed **Computer Programs** or **Electronic Data**.

If a **Single Loss** is covered under both Insuring Agreements F.1. and F.2., then only the Retention for a **Single Loss** under Insuring Agreement F.1. will be applicable and the payment of **Restoration Expense** under Insuring Agreement F.2. will be part of, and not in addition to, the Single Loss Limit of Insurance for Insuring Agreement F.1.

#### **G. FUNDS TRANSFER FRAUD**

The Company will pay the **Insured** for the **Insured's** direct loss of **Money** and **Securities** contained in the **Insured's Transfer Account** directly caused by **Funds Transfer Fraud**.

#### **H. PERSONAL ACCOUNTS PROTECTION**

##### **1. Personal Accounts Forgery or Alteration**

The Company will pay the **Insured**, on behalf of the **Insured's Management Staff Member**, for loss incurred by the **Insured's Management Staff Member**, directly caused by **Forgery** or alteration of, on or in any written **Covered Personal Instruments** that are:

- a. drawn upon personal accounts of the **Insured's Management Staff Member**, or purported to have been so drawn; or
- b. made or drawn by one acting as an agent of the **Insured's Management Staff Member**, or purport to have been so made or drawn.

A signature that is a mechanical or electronic reproduction of a handwritten signature produced by a mechanical check-writing machine or a computer printer will be treated the same as a handwritten signature. An **Electronic Signature** is not treated the same as a mechanical or electronic reproduction of a handwritten signature and is not a **Forgery** under this Insuring Agreement H.

For purposes of this Insuring Agreement H.1. the term "check" includes a substitute check as defined in the Check Clearing for the 21<sup>st</sup> Century Act, and will be treated the same as the original it replaced.

##### **2. Identity Fraud Expense Reimbursement**

The Company will reimburse the **Insured**, on behalf of the **Insured's Management Staff Member**, for **Identity Fraud Expense** incurred by the **Insured's Management Staff Member** as a direct result of any **Identity Fraud**.

## I. CLAIM EXPENSE

The Company will pay the **Insured** for reasonable **Claim Expenses** incurred and paid by the **Insured** to establish the existence, amount and preparation of the **Insured's** proof of loss in support of a covered claim for loss under any Insuring Agreement of this **Crime Policy**.

The following conditions specifically apply to this Insuring Agreement I.:

1. any **Claim Expenses** payable to the **Insured** are only applicable to any covered loss which exceeds the Single Loss Retention for the Insuring Agreement that is the subject of a claim under this **Crime Policy**;
2. **Claim Expenses** that are payable to the **Insured** are in addition to the Single Loss Limit of Insurance for the Insuring Agreement that is the subject of a claim under this **Crime Policy**; and
3. **Claim Expenses** payable to the **Insured** will be paid to the **Insured** at the same time as the payment of the valid and collectible loss under the Insuring Agreement that is the subject of a claim under this **Crime Policy**.

## II. GENERAL AGREEMENTS

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### A. JOINT INSURED

1. If the **Insured** consists of more than one entity, then the **First Named Insured** acts for itself and for every other **Insured** for all purposes of this **Crime Policy**.
2. If any **Insured**, or a partner or **Management Staff Member** of that **Insured**, has knowledge of any information relevant to this **Crime Policy**, that knowledge is considered knowledge of every **Insured**.
3. An **Employee** of any **Insured** is considered to be an **Employee** of every **Insured**.
4. The Company will not pay the **Insured** more for loss or losses sustained by more than one **Insured** than the amount the Company would pay if all loss or losses had been sustained by one **Insured**.
5. Payment by the Company to the **First Named Insured** for loss sustained by any **Insured**, or payment by the Company to the **Employee Benefit Plan** for loss sustained under Insuring Agreement A.2, fully releases the Company on account of such loss.
6. If this **Crime Policy** or any of its Insuring Agreements are canceled or terminated as to any **Insured**, loss sustained by that **Insured** is covered only if **Discovered** by the **Insured** during the period of time provided in the Extended Period To Discover Loss pursuant to the terms set forth in Section V. CONDITIONS A. GENERAL CONDITIONS 3. Extended Period to Discover Loss; provided, this extended period to discover loss terminates as to that **Insured** immediately upon the effective date of any other insurance obtained by that **Insured** replacing in whole or in part the insurance afforded by this **Crime Policy**, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

### B. ADDITIONAL OFFICES

If the **Insured** establishes any additional offices, other than by consolidation with, merger with, purchase of, or acquisition of assets or liabilities of another organization while this **Crime Policy** is in effect, such offices are automatically covered by this **Crime Policy** from the date of such establishment without the requirement of notice to the Company or the payment of additional premium for the remainder of the **Policy Period**.

**C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS**

If, during the **Policy Period**, the **Insured** merges with, purchases or acquires the assets or liabilities of another entity, this **Crime Policy** will provide coverage for that merged, purchased, or acquired entity, subject to all other terms and conditions herein, but only for loss **Discovered** by the **Insured** after the effective date of such merger, purchase, or acquisition; provided, the **Insured** gives the Company written notice of such merger, purchase, or acquisition, and specific application has been submitted on the Company's form in use at the time, together with such documentation and information as the Company may require, all within 90 days after the effective date of such merger, purchase, or acquisition. Coverage for the merged, purchased, or acquired entity will not be afforded following such 90-day period unless the Company has agreed to provide such coverage, subject to any additional terms and conditions as the Company may require, and the **Insured** has paid the Company any additional premium as may be required by the Company. Any **Employee Benefit Plan** or **Sponsored Plan** acquired as above will be included as **Insureds** as specified in Item 1 of the Declarations.

The 90-day notice requirement and the 90-day limitation of coverage will not apply, provided: (1) the assets of the merged, purchased, or acquired entity do not exceed 30% of the total assets of all **Insureds** as reflected in the **Insured's** most recent fiscal year-end financial statement, or (2) the merger, purchase, or acquisition occurs less than 90 days prior to the end of the **Policy Period**.

**D. ACQUISITIONS**

If, during the **Policy Period**, the **Insured** acquires a **Subsidiary**, this **Crime Policy** will provide coverage for such **Subsidiary** and its respective **Management Staff Members, Employee Benefit Plans, and Sponsored Plans**, subject to all other terms and conditions of this **Crime Policy**, provided written notice of such acquisition has been given to the Company, and specific application has been submitted on the Company's form in use at the time, together with such documentation and information as the Company may require, all within 90 days after the effective date of such acquisition. Coverage for such **Subsidiary** will not be afforded following such 90-day period unless the Company has agreed to provide such coverage, subject to any additional terms and conditions as the Company may require, and the **Insured** has paid the Company any additional premium as may be required by the Company.

The 90-day notice requirement and the 90-day limitation of coverage will not apply provided that: (1) the assets of the acquired **Subsidiary** do not exceed 30% of the **Insured's** total assets as reflected in the **Insured's** most recent fiscal year-end financial statement; or (2) the acquisition occurs less than 90 days prior to the end of the **Policy Period**.

**E. CHANGE OF CONTROL – NOTICE REQUIREMENTS**

When the **Insured** learns that a **Change of Control** has taken place as to any **Insured**, or will take place during the **Policy Period**, the **Insured** must give the Company written notice within 90 days of the effective date of such **Change of Control**.

**III. DEFINITIONS**

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Wherever appearing in this **Crime Policy**, the following words and phrases appearing in bold type have the meanings set forth in this Section III. DEFINITIONS:

A. **Change of Control** means:

1. the acquisition of any **Insured**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of any **Insured** into or with another entity such that the **Insured** is not the surviving entity; or
2. the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate more than 50% of the board of directors or board of managers or to exercise a majority control of the board of directors, board of managers, or a functional equivalent thereof of any **Insured**.

- B. **Claim Expenses** means reasonable fees, costs and expenses of outside accountants, attorneys, consultants or experts retained by the **Insured** to determine the amount and extent of loss covered under this **Crime Policy**. The reasonableness of such expenses will be determined by the Company. The phrase does not mean or include any of the **Insured's** internal corporate fees, costs (direct or indirect), obligations or **Employee** wages and salaries.
- C. **Client** means an entity designated as a **Client** by endorsement to this **Crime Policy** for which the **Insured** performs services as specified in a written agreement, but only while the written agreement is in effect.
- D. **Client's Premises** means the interior of that portion of any building the **Insured's Client** occupies in conducting its business.
- E. **Computer Fraud** means:  
 The use of any computer to fraudulently cause a transfer of **Money**, **Securities** or **Other Property** from inside the **Premises** or **Financial Institution Premises**:
1. to a person (other than a **Messenger**) outside the **Premises** or **Financial Institution Premises**; or
  2. to a place outside the **Premises** or **Financial Institution Premises**.
- F. **Computer Program** means a set of related electronic instructions that direct the operations and functions of a **Computer System** or devices connected to it that enable the **Computer System** or devices to receive, process, store, retrieve, send, create or otherwise act upon **Electronic Data**.
- G. **Computer System** means a computer and all input, output, processing, storage and communication facilities and equipment that are connected to such a device and that the operating system or application software used by the **Insured** are under the direct operational control of the **Insured**. Off-line media libraries are deemed to be part of such **Computer System**.
- H. **Computer Violation** means:
1. a **Computer Virus** designed to damage or destroy a **Computer Program** or **Electronic Data**; or
  2. vandalism by a natural person, including an **Employee**, who has gained unauthorized electronic access to the **Insured's Computer System**.
- I. **Computer Virus** means a set of unauthorized instructions, programmatic or otherwise:
1. directed solely against the **Insured**; and
  2. that propagate themselves through the **Computer System** or networks;
- provided such instructions were maliciously introduced by a natural person.
- J. **Counterfeit** means an imitation of **Money** that is intended to deceive and to be taken as genuine.
- K. **Covered Instruments** means:
1. checks, drafts, promissory notes, bills of exchange or similar written promises, orders or directions to pay a sum certain in **Money**; and
  2. written instruments required in conjunction with any transaction involving any **Credit, Debit or Charge Card** issued to the **Insured**, the **Insured's Employees** or the **Insured's Management Staff Members** for business purposes.
- L. **Covered Personal Instruments** means:
1. checks, drafts, promissory notes or similar written promises, orders or directions to pay a sum certain in **Money**; and

2. written instruments required in conjunction with any transaction involving any **Credit, Debit or Charge Card** issued to a **Management Staff Member** for personal use.
- M. **Credit, Debit or Charge Card** means any card, plate or other similar device used for the purpose of obtaining **Money**, property, labor or services on credit or for immediate payment. The terms do not mean a note, check, draft, money order or other negotiable instrument.
- N. **Crime Policy** means, collectively, the Declarations, the application, the Crime Terms and Conditions, and any endorsements attached thereto.
- O. **Digital Signature** means an electronic identifier created by computer, within, attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.
- P. **Discover, Discovered, or Discovery** means the moment when the **Insured**, any partner in the **Insured**, or **Management Staff Member**:
1. first become(s) aware of facts that would cause a reasonable person to assume that a loss of a type covered by this **Crime Policy** has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact details of loss may not then be known; or
  2. first receive(s) notice of a claim against the **Insured** alleging facts which, if true, would constitute a loss under this **Crime Policy**,
- whichever occurs first.
- Q. **Electronic Data** means facts or information converted to a form:
1. usable in a **Computer System**;
  2. that does not provide instructions or directions to a **Computer System**; or
  3. that is stored on electronic processing media for use by a **Computer Program**.
- R. **Electronic Signature** means a **Digital Signature**, an electronic sound, symbol or process, within, attached to, or logically associated with a record and executed or adopted by a person with the intent to sign the record.
- S. **Employee** means:
1. any natural person:
    - a. while in the **Insured's** service or for 60 days after termination of service, unless such termination is due to **Theft** or **Forgery** or any other dishonest act committed by the **Employee**;
    - b. who the **Insured** compensates directly by salary, wages or commissions; and
    - c. who the **Insured** has the right to direct and control while performing services for the **Insured**;
  2. any natural person who is temporarily furnished to the **Insured**:
    - a. to substitute for an **Employee** as set forth in paragraph 1. above, who is on medical, military or other leave of absence; or
    - b. to meet seasonal or short-term workload conditions;

while that person is subject to the **Insured's** direction and control and performing services for the **Insured**; provided, any such natural person who has care and custody of property outside the **Premises** is specifically excluded from this definition;

3. any natural person, other than a temporary **Employee** described in paragraph 2. above, who is leased to the **Insured** under a written agreement between the **Insured** and a labor leasing firm, while that person is subject to the **Insured's** direction and control and performing services for the **Insured**;
4. any natural person:
  - a. who is a member of the board of directors, member of the board of trustees or **LLC Manager** while acting as a member of any of the **Insured's** elected or appointed committees, including any member of such committee, to perform on the **Insured's** behalf, specific, as distinguished from general, directorial acts;
  - b. who is a non-compensated officer;
  - c. other than a non-compensated fund solicitor, while performing services for the **Insured** that are usual to the duties of an **Employee** or officer;
  - d. while acting as a non-compensated fund solicitor during fund raising campaigns;
  - e. who is a former **Employee**, member of the board of directors, partner, **LLC Manager**, or member of the board of trustees retained as a consultant while that person is subject to the **Insured's** direction and control and performing services for the **Insured**;
  - f. who is a guest student or intern pursuing studies or duties in any of the **Insured's** offices or **Premises**; while such person is subject to the **Insured's** direction and control and performing services for the **Insured**;
  - g. who is a volunteer, while such person is subject to the **Insured's** direction and control and is performing services for the **Insured**, or
5. any attorney retained by the **Insured**, and any employee of such attorney, while performing legal services for the **Insured**.

**Employee** also means any individual described in paragraphs 1-5 above while such person is on medical, military, or other leave of absence from the **Insured**. Coverage applies to any such **Employee** while on leave, regardless of whether such person remains subject to the **Insured's** direction and control during the time of leave.

**Employee** does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative or other person of the same general character not specified in paragraphs 1. through 5. above.

T. **Employee Benefit Plan** means an employee welfare benefit plan or an employee pension benefit plan as more fully set forth in Title 1, Section 3 of the Employee Retirement Income Security Act of 1974 and any amendments thereto (ERISA) and which is solely sponsored by an **Employee Benefit Plan Sponsor**.

U. **Employee Benefit Plan Sponsor** means:

1. the **First Named Insured**,
2. any **Subsidiary**, or
3. any other entity listed in Item 1. of the Declarations.

V. **Fiduciary** means any natural person who is a trustee, an officer, an **Employee** or an administrator of any **Employee Benefit Plan**; and any person, or a member of the board of directors, an officer, an **Officer-Shareholder**, a member of the board of trustees, an **LLC Manager**, or an **Employee** while that person is handling **Money, Securities** and **Other Property** that belongs to any **Employee Benefit Plan**.

**Fiduciary** does not mean any agent, broker, independent contractor, broker/dealer, registered representative, investment advisor, custodian or other person or entity of the same general character.

W. **Financial Institution** means:

1. a bank, trust company, savings bank, credit union, savings and loan association or similar thrift institution; or
2. a stock brokerage firm, mutual fund, liquid assets fund or similar investment institution.

X. **Financial Institution Premises** means the interior of that portion of any building occupied by a **Financial Institution** (including any night depository chute and any safe maintained by such **Financial Institution**), transfer agent or registrar or similarly recognized place of safe deposit.

Y. **First Named Insured** means the entity first named in ITEM 1 of the Declarations.

Z. **Forgery**, or **Forged** means the signing of the name of another person or organization with a handwritten signature physically affixed directly to a **Covered Instrument** or **Covered Personal Instrument**, without authority and with the intent to deceive; it does not mean a signature that consists in whole or in part of one's own name signed with or without authority in any capacity, for any purpose.

AA. **Funds Transfer Fraud** means:

1. an electronic, telegraphic, cable, teletype or telephone instruction fraudulently transmitted to a **Financial Institution** directing such institution to debit a **Transfer Account** and to transfer, pay or deliver **Money** or **Securities** from the **Transfer Account** which instruction purports to have been transmitted by the **Insured**, but was in fact fraudulently transmitted by someone other than the **Insured** without the **Insured's** knowledge or consent;
2. a fraudulent written instruction, other than one covered under Insuring Agreement B., issued to a **Financial Institution** directing such **Financial Institution** to debit a **Transfer Account** and to transfer, pay or deliver **Money** or **Securities** from such **Transfer Account** by use of an electronic funds transfer system at specified intervals or under specified conditions, which written instruction purports to have been issued by the **Insured** but was in fact fraudulently issued, **Forged** or altered by someone other than the **Insured** without the **Insured's** knowledge or consent; or
3. an electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by the **Insured**, which purports to have been transmitted by an **Employee**, but which was in fact fraudulently transmitted by someone else without the **Insured's** or the **Employee's** consent.

BB. **Identity Fraud** means the act of knowingly transferring or using, without lawful authority, a means of identification of a **Management Staff Member** with the intent to commit, aid, or abet any unlawful activity that constitutes a violation of federal law or a felony under any applicable jurisdiction.

CC. **Identity Fraud Expense** means:

1. costs for notarizing fraud affidavits or similar documents for credit agencies, financial institutions, merchants or other credit grantors that have required that such affidavits be notarized;
2. costs for certified mail to law enforcement agencies, credit agencies, financial institutions, merchants or other credit grantors;

3. costs for long distance telephone calls to law enforcement agencies, credit agencies, financial institutions, merchants or other credit grantors to report or discuss any actual **Identity Fraud**;
4. lost wages, up to a maximum payment of \$1,000. per week for a maximum period of five (5) weeks, as a result of absence from employment:
  - a. to communicate with law enforcement agencies, legal counsel, credit agencies, financial institutions, merchants or other credit grantors;
  - b. to complete fraud affidavits or similar documents; or
  - c. due to wrongful incarceration arising solely from someone having committed a crime in the **Management Staff Member's** name; provided, that lost wages will not apply in the case of wrongful incarceration absent all charges being dismissed or an acquittal;
5. loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information;
6. reasonable attorney fees incurred, with the Company's prior written consent, for:
  - a. defense of lawsuits brought against the **Insured's Management Staff Member** by financial institutions, merchants, other credit grantors or their collection agencies;
  - b. the removal of any criminal or civil judgments wrongly entered against the **Insured's Management Staff Member**; or
  - c. challenging the accuracy or completeness of any information in a consumer credit report; and
7. costs for daycare and eldercare incurred solely as a direct result of any **Identity Fraud Discovered** during the **Policy Period**.

**Identity Fraud Expense** does not include any expense or loss not listed in paragraphs 1. through 7. of this Definition CC..

DD. **Insured** means:

1. for the purposes of Insuring Agreement A.2., any and all **Employee Benefit Plans**;
    - a. which have been established or maintained by an **Employee Benefit Plan Sponsor** as of the inception date of this **Crime Policy**, or
    - b. which have been created or acquired by an **Employee Benefit Plan Sponsor** after the inception date of this **Crime Policy**, subject to the provisions of General Agreements C and D.
- or
2. for the purposes of all other Insuring Agreements:
    - a. the **First Named Insured**,
    - b. any **Subsidiary**,
    - c. any **Sponsored Plan**, or
    - d. any other entity listed in Item 1. of the Declarations.

EE. **LLC Manager** means any natural person who was, is or becomes a manager, member of the board of managers, or a functionally equivalent executive of a limited liability company.

FF. **LLC Member** means any natural person who has an ownership interest in a limited liability company.

- GG. **Management Staff Member** means the **Insured's** proprietor, natural person partner, member of the board of directors, member of the board of trustees, officer, risk manager, in-house general counsel, **LLC Manager**, or **LLC Member**.
- HH. **Messenger** means any **Management Staff Member**, or relative thereof, any **Officer-Shareholder**, or any **Employee**, duly authorized, while having care and custody of covered property outside the **Premises**.
- II. **Money** means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including currency, coins, bank notes, bullion, travelers' checks, registered checks and money orders held for sale to the public.
- JJ. **Officer-Shareholder** means any officer who has a 25% or greater ownership interest in any one or more **Insureds**.
- KK. **Other Property** means any tangible property other than **Money** and **Securities** that has intrinsic value.
- LL. **Policy Period** means the period from the Inception Date to the Expiration Date set forth in ITEM 2 of the Declarations. In no event will the **Policy Period** continue past the effective date of cancellation or termination of this **Crime Policy**.
- MM. **Premises** means the interior of that portion of any building the **Insured** occupies in conducting the **Insured's** business.
- NN. **Restoration Expense** means reasonable costs incurred by the **Insured** to reproduce **Computer Programs** or **Electronic Data** and enable the **Insured** to restore the **Insured's Computer System** to the level of operational capability that existed immediately preceding a **Computer Violation**.

**Restoration Expense** does not include:

1. the **Insured's** internal corporate costs and expenses, including **Employee** remuneration and any costs related to any legal action;
  2. expenses incurred as a result of the reconstruction of **Computer Programs** and **Electronic Data** recorded on media, including magnetic or optical media if there are no analyses files, specifications or backups of **Computer Programs** or **Electronic Data** held outside the **Premises**;
  3. expenses incurred as a result of the reconstruction of **Computer Programs** and **Electronic Data** if the **Insured** knowingly used illegal copies of programs;
  4. expenses incurred to render the **Computer Programs** and **Electronic Data** usable by replacement processing equipment;
  5. expenses incurred to design, update or improve **Computer Programs** or **Electronic Data** or to perfect their operation or performance;
  6. expenses incurred as a result of alteration in **Computer Programs** and **Electronic Data** held on magnetic media due to the effect of magnetic fields, incorrect usage of the **Computer Programs** and **Electronic Data**, or the obsolescence of the **Computer System**;
  7. the **Insured's** lost revenue, sales or profits; or
  8. expenses incurred by any customer.
- OO. **Robbery** means the unlawful taking of **Money**, **Securities** and **Other Property** from the care and custody of the **Insured**, the **Insured's** partners or any other person (except any person acting as a watchperson or janitor) by one who has:
1. caused or threatened to cause that person bodily harm; or
  2. committed an unlawful act witnessed by that person.
- PP. **Safe Burglary** means the unlawful taking of:
1. **Money**, **Securities** and **Other Property** from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or

2. a safe or vault from inside the **Premises**.

QQ. **Securities** means written negotiable and non-negotiable instruments or contracts representing **Money** or property including:

1. tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
2. evidences of debt issued in connection with any **Credit, Debit or Charge Card**, which cards are not issued by the **Insured**;

but does not include **Money**.

RR. **Single Loss** means:

1. for purposes of Insuring Agreement A.:
  - a. an individual act;
  - b. the combined total of all separate acts; or
  - c. a series of related acts;

committed by an **Employee** or committed by more than one **Employee** acting alone or in collusion with other persons both during and before the **Policy Period**;

2. for purposes of Insuring Agreements B. and H.1., all loss caused by any person, or loss in which that person is involved, whether the loss involves one or more written **Covered Instruments** or **Covered Personal Instruments**; and

3. for purposes of all other Insuring Agreements:

- a. any act or series of related acts or events involving one or more persons; or
- b. any act, acts or events involving a person or group of persons acting together;

whether identified or not, both during and before the **Policy Period**.

SS. **Sponsored Plan** means any employee benefit plan or employee pension benefit plan solely sponsored by any **Insured** that is not subject to the terms of ERISA.

TT. **Subsidiary** means:

1. any corporation, partnership, limited liability company or other entity, organized under the laws of any jurisdiction in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint, or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent; or
2. subject to the provisions set forth in Section II. GENERAL AGREEMENTS D. ACQUISITIONS, of the Crime Terms and Conditions, any entity that the **Insured** acquires or forms during the **Policy Period** in which the **Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent.

**Subsidiary** does not include any entity in which any **Insured** is engaged as a participant in any type of joint venture unless such entity is specifically scheduled as an additional **Insured** by endorsement to this **Crime Policy**.

UU. **Theft** means:

1. under Insuring Agreement A.3., the intentional unlawful taking of **Money, Securities and Other Property** to the deprivation of a **Client**;
  2. under Insuring Agreements C. or D., the intentional unlawful taking of **Money and Securities** to the **Insured's** deprivation.
  3. under all other Insuring Agreements, the intentional unlawful taking of **Money, Securities and Other Property** to the **Insured's** deprivation.
- VV. **Transfer Account** means an account maintained by the **Insured** at a **Financial Institution** from which the **Insured** can initiate the transfer, payment or delivery of **Money or Securities**:
1. by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly or through an electronic funds transfer system; or
  2. by means of written instructions (other than those described in Insuring Agreements B. and H.1.) establishing the conditions under which such transfers are to be initiated by such **Financial Institution** through an electronic funds transfer system.

#### IV. **EXCLUSIONS**

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- A. This **Crime Policy** will not apply to loss resulting directly or indirectly from war, whether or not declared; civil war; insurrection; rebellion or revolution; military, naval or usurped power; governmental intervention, expropriation or nationalization; or any act or condition related to any of the foregoing.
- B. This **Crime Policy** will not apply to loss resulting directly or indirectly from seizure or destruction of property by order of governmental authority.
- C. This **Crime Policy** will not apply to loss resulting directly or indirectly from any fraudulent, dishonest or criminal act committed by the **Insured**, the **Insured's** natural person partners, any **LLC Member** or **Officer-Shareholder**, whether acting alone or in collusion with others; provided, this Exclusion C. will not apply to loss covered under Insuring Agreement A.2..
- D. This **Crime Policy** will not apply to loss resulting directly or indirectly from any fraudulent, dishonest or criminal act committed by any **Employee** or **Fiduciary** whether acting alone or in collusion with others, unless covered under Insuring Agreements A.1., A.2., A.3., F.2., or H..
- E. This **Crime Policy** will not apply to loss resulting directly or indirectly from any **Funds Transfer Fraud**, unless covered under Insuring Agreements A.1., A.2., A.3., or G..
- F. This **Crime Policy** will not apply to loss resulting directly or indirectly from the **Insured's** acceptance of money orders or **Counterfeit Money**, unless covered under Insuring Agreements A.1., A.2., A.3. or E..
- G. This **Crime Policy** will not apply to loss or damages resulting directly or indirectly from the input of **Electronic Data** by a natural person having the authority to enter the **Insured's Computer System**, unless covered under Insuring Agreements A.1., A.2., A.3., F.2. or G..
- H. This **Crime Policy** will not apply to loss resulting directly or indirectly from forged, altered or fraudulent documents or written instruments used as source documentation in the preparation of **Electronic Data**, unless covered under Insuring Agreements A.1., A.2., or A.3..
- I. This **Crime Policy** will not apply to any expenses incurred by the **Insured** in establishing the existence or the amount of any loss covered under this **Crime Policy**, unless covered under Insuring Agreement I..
- J. This **Crime Policy** will not apply to loss of income, whether or not earned or accrued, or potential income, including interest and dividends, not realized by the **Insured** as the result of any loss covered under this **Crime Policy**.
- K. This **Crime Policy** will not apply to damages of any type, except the **Insured's** direct compensatory damages resulting from a loss covered under this **Crime Policy**.

- L. This **Crime Policy** will not apply to indirect or consequential loss of any nature, including fines, penalties, multiple or punitive damages.
- M. This **Crime Policy** will not apply to loss resulting directly or indirectly from any **Theft**, disappearance, damage, destruction or disclosure of any intangible property or confidential information including:
1. trade secret information, confidential processing methods or other confidential information or intellectual property of any kind, or **Electronic Data** unless otherwise covered under Insuring Agreement F.2.; or
  2. **Computer Programs**.
- N. This **Crime Policy** will not apply to loss of, or damage to, manuscripts, records, accounts, microfilm, tapes or other records, whether written or electronic, or the cost of reproducing any information contained in such lost or damaged records, except when covered under Insuring Agreements C., D., or F.2..
- O. This **Crime Policy** will not apply to loss, or that part of any loss, the proof of which as to its existence or amount is dependent solely upon:
1. an inventory computation or physical count; or
  2. a profit and loss computation;
- provided that where the **Insured** establishes wholly apart from such computations or physical count that the **Insured** has sustained a loss covered under Insuring Agreements A.1., A.2, A.3. or F.1., then the **Insured** may offer the **Insured's** inventory records and an actual physical count of inventory in support of other evidence as to the amount of loss claimed.
- P. This **Crime Policy** will not apply to loss resulting directly or indirectly from trading whether or not in the name of the **Insured** or whether or not in a genuine or fictitious account, unless covered under Insuring Agreement A.1, A.2. or A.3..
- Q. This **Crime Policy** will not apply to loss resulting directly or indirectly from fire, except:
1. loss of or damage to **Money** or **Securities**; or
  2. damage to any safe or vault caused by the application of fire thereto in connection with any actual or attempted **Safe Burglary** when covered under Insuring Agreement C..
- R. This **Crime Policy** will not apply to loss resulting directly or indirectly from the giving or surrendering of **Money, Securities** or **Other Property** in any exchange or purchase, whether or not fraudulent, with any other party not in collusion with an **Employee**, except when covered under Insuring Agreement E..
- S. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property** while in the custody of any **Financial Institution**, trust company, or similarly recognized place of safe deposit or armored motor vehicle company unless the loss is in excess of the amount recovered or received by the **Insured** under the **Insured's** contract, if any, with, or insurance carried by, any of the aforementioned.
- T. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property** held by an armored motor vehicle company for the **Insured**, and which is stored by such company overnight inside buildings used in the conduct of its business.
- U. This **Crime Policy** will not apply to loss resulting directly or indirectly from nuclear reaction, nuclear radiation, radioactive contamination, biological or chemical contamination or to any related act or incident.
- V. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property** resulting directly or indirectly from kidnap, extortion or ransom payments (other than **Robbery**) surrendered to any person as a result of a threat.
- W. This **Crime Policy** will not apply to loss resulting directly or indirectly from **Forgery** or alteration, except when covered under Insuring Agreements A.1., A.2., A.3., B., or H..
- X. This **Crime Policy** will not apply to loss resulting directly or indirectly from **Computer Fraud**, except when covered under Insuring Agreements A.1., A.2., A.3., F.1., or H.1..

- Y. This **Crime Policy** will not apply to loss under Insuring Agreements C. or D. resulting directly or indirectly from:
1. an accounting or arithmetical error or omission;
  2. the loss of property from within any money operated device, unless the amount of **Money** deposited in it is recorded by a continuous recording device;
  3. anyone, acting on the **Insured's** express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property;
  4. damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them; or
  5. damage to the **Premises** or its exterior or to containers of covered property by vandalism or malicious mischief.
- Z. This **Crime Policy** will not apply to loss resulting directly or indirectly from the diminution in value of **Money, Securities** or **Other Property**.
- AA. This **Crime Policy** will not apply to loss arising from any **Credit, Debit or Charge Card** if the **Insured**, the **Insured's Employee** or **Management Staff Member** has not fully complied with the provisions, conditions or other terms under which any card was issued.
- BB. This **Crime Policy** will not apply to loss sustained by any **Subsidiary** or related **Employee Benefit Plan** or **Sponsored Plan**, occurring at any time during which such entity was not a **Subsidiary** or related **Employee Benefit Plan** or **Sponsored Plan**.
- CC. This **Crime Policy** will not apply to loss sustained by the **Insured** or any **Subsidiary** to the extent it results in a benefit, gain or transfer to the **Insured** or any **Subsidiary**, except to the extent that such loss is covered under Insuring Agreement A.2..

## V. **CONDITIONS**

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### A. **GENERAL CONDITIONS**

1. Territory Covered

Except as indicated in Item 5. of the Declarations,

- a. the Company will cover loss the **Insured** sustains anywhere in the world, and
- b. the Company will cover all of the **Insured's** offices and **Premises**, including any additional offices or **Premises** pursuant to Sections II. GENERAL AGREEMENTS B. ADDITIONAL OFFICES, C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS, and D. ACQUISITIONS in this **Crime Policy**.

2. Cooperation

The **Insured** must cooperate with the Company in all matters pertaining to this **Crime Policy** as stated in its terms, conditions and limitations.

3. Extended Period to Discover Loss

The Company will pay the **Insured** for loss that the **Insured** sustained prior to the effective date of cancellation or termination of this **Crime Policy**, which is **Discovered** by the **Insured**:

- a. no later than 90 days from the date of cancellation or termination; and
- b. as respects any **Employee Benefit Plan**, no later than one (1) year from the date of cancellation or termination.

Notwithstanding the above, this extended period to **Discover** loss terminates immediately upon the effective date of any other insurance obtained by the **Insured** replacing in whole or in part the insurance afforded by this **Crime Policy**, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

4. Other Insurance

This **Crime Policy** applies only as excess insurance over, and will not contribute with: (1) any other valid and collectible insurance available to any **Insured** unless such insurance is written specifically excess of this **Crime Policy** by reference in such other policy to the Policy Number of this **Crime Policy**; and (2) indemnification to which any **Insured** is entitled from any other entity other than any **Insured**. As excess insurance, this **Crime Policy** will not apply or contribute to the payment of any loss to the **Insured** until the amount of such other insurance or indemnity has been exhausted by loss covered thereunder. If the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this **Crime Policy** will apply to that part of the loss not recoverable or recovered under the other insurance or indemnity. This **Crime Policy** will not be subject to the terms of any other insurance.

Any loss that is applicable to this Condition A.4. is subject to both the applicable Single Loss Limit of Insurance and applicable Single Loss Retention shown in ITEM 5 of the Declarations.

If this **Crime Policy** replaces prior insurance that provided the **Insured** with an extended period of time after the termination or cancellation of such prior insurance in which to **Discover** loss, then, and only with respect to loss **Discovered** during such extended period but sustained prior to the termination of such prior insurance, the coverage afforded by this **Crime Policy** applies as follows:

- a. the Company will have no liability for such loss, unless the amount of such loss exceeds the limit of insurance of that prior insurance; provided, that in such case, the Company will pay the **Insured** for the excess of such loss subject to the terms and conditions of this **Crime Policy**; and
- b. any payment the Company makes to the **Insured** for such excess loss will not be greater than the difference between the limit of insurance of the **Insured's** prior insurance and the applicable Single Loss Limit of Insurance of this **Crime Policy**. The Company will not apply the applicable Single Loss Retention to such excess loss.

5. Ownership of Property; Interests Covered

- a. The property covered under this **Crime Policy** except as provided in 5.b. below is limited to property:
  - i. that the **Insured** owns or leases;
  - ii. that the **Insured** holds for others:
    - (a) on the **Insured's Premises** or the **Insured's Financial Institution Premises**; or
    - (b) while in transit and in the care and custody of a **Messenger**; or
  - iii. for which the **Insured** is legally liable, except for property located inside the **Insured's Client's Premises** or the **Insured's Client's Financial Institution Premises**.

Notwithstanding the above, this **Crime Policy** is for the **Insured's** benefit only and provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this **Crime Policy** must be presented by the **Insured**.

- b. If ITEM 5 of the Declarations indicates that coverage under Insuring Agreement A.3. Employee Theft of Client Property has been purchased, then the property covered under Insuring Agreement A.3. is limited to property:

- i. that the **Insured's Client** owns or leases;
- ii. that the **Insured's Client** holds for others; or
- iii. for which the **Insured's Client** is legally liable;

while the property is inside the **Insured's Client's Premises** or the **Insured's Client's Financial Institution Premises**.

Notwithstanding the above, this **Crime Policy** is for the **Insured's** benefit only and provides no rights or benefits to any other person or organization, including the **Insured's Client**. Any claim for loss by the **Insured's Client** that is covered under this **Crime Policy** must be presented by the **Insured**.

6. Representation, Concealment, Misrepresentation or Fraud

No statement made by the **Insured**, whether contained in the application, underwriting information or otherwise, is deemed to be a warranty of anything except that it is true to the best of the knowledge and belief of the person making the statement.

This **Crime Policy** is void in any case of fraud by the **Insured** as it relates to this **Crime Policy** at any time. This **Crime Policy** is also void if the **Insured**, at any time, intentionally conceals or misrepresents a material fact concerning:

- a. this **Crime Policy**;
- b. the **Money, Securities** or **Other Property**;
- c. the **Insured's** interest in the **Money, Securities** or **Other Property**; or
- d. a claim under this **Crime Policy**.

7. Premiums

The **First Named Insured** is responsible for the payment of all premiums and will be the payee for any return premiums the Company pays.

8. Transfer of Rights and Duties Under this **Crime Policy**

Rights and duties under this **Crime Policy** may not be transferred without the Company's written consent except in the case of the death of a natural person **Insured**. If such person dies, then the decedent's rights and duties will be transferred to the decedent's legal representative, but only while acting within the scope of duties as the decedent's legal representative. Until a legal representative is appointed, anyone having proper temporary custody of the decedent's property will have all rights and duties but only with respect to that property.

**B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT**

1. Limit of Insurance

a. Policy Aggregate Limit of Insurance

If ITEM 5 of the Declarations indicates that this **Crime Policy** includes a Policy Aggregate Limit of Insurance, then the Company's total liability for all loss **Discovered** during the **Policy Period** will not exceed such Policy Aggregate Limit of Insurance. The Policy Aggregate Limit of Insurance will be reduced by the amount of any payment made under the terms of this **Crime Policy**. If the Policy Aggregate Limit of Insurance is exhausted by any payment made for loss **Discovered** during the **Policy Period**, the Company will have no further liability for loss regardless of when **Discovered** and whether or not previously reported to the Company.

If applicable, the Policy Aggregate Limit of Insurance will be reinstated to the extent of any net recovery pursuant to Condition B.6. that is received by the Company during the **Policy Period** and before the Crime Policy Aggregate Limit of Insurance is exhausted. Recovery from reinsurance or indemnity, or both, for the Company's benefit will not be deemed a recovery as used herein. In the event that a loss of **Securities** is settled by the Company through the use of a Lost Securities Bond, such loss will not reduce the Crime Policy Aggregate Limit of Insurance, but any payment under the Lost Securities Bond reduces the Policy Aggregate Limit of Insurance under this **Crime Policy**.

The provisions of this Condition B.1.a. will not be applicable to Insuring Agreement A.2.

If ITEM 5 of the Declarations indicates that this **Crime Policy** does not include a Crime Policy Aggregate Limit of Insurance, then payment of loss under this **Crime Policy** will not reduce the Single Loss Limit of Insurance for other **Single Losses**.

b. Single Loss Limit of Insurance

The maximum Single Loss Limit of Insurance for each Insuring Agreement will not exceed the applicable amount set forth in ITEM 5 of the Declarations for such Insuring Agreement.

c. Special Limit of Insurance for Specified Other Property

The Company's liability for loss under Insuring Agreements C. and D. is limited as follows

- i. the lesser of \$25,000. or the amount shown as the Single Loss Limit of Insurance for any **Single Loss** involving precious metals, precious or semi-precious stones, pearls, furs, or completed articles made of or containing such enumerated materials that constitute more than half the value of such articles;
- ii. the lesser of \$25,000. or the amount shown as the Single Loss Limit of Insurance for any **Single Loss**, including damage to manuscripts, drawings or records of any kind, or the cost of reconstructing them or reproducing any information contained in them;

The Special Limit of Insurance for Specified Other Property is part of, and not in addition to, any applicable limit of liability.

d. Identity Fraud Expense Reimbursement Single Loss Limit of Insurance

The maximum limit of insurance per the **Insured's Management Staff Member** for each **Identity Fraud** covered under Insuring Agreement H.2. will not exceed the applicable Single Loss Limit of Insurance stated in ITEM 5 of the Declarations. All acts incidental to an **Identity Fraud**, any series of **Identity Frauds**, and all **Identity Frauds** arising from the same method of operation, whether committed by one or more persons, will be deemed to arise out of one act and will be treated as one **Identity Fraud**. If an act causes a covered loss under Insuring Agreement H.2. to more than one **Management Staff Member**, the applicable Single Loss Limit of Insurance and Retention under Insuring Agreement H.2. applies to each **Management Staff Member** separately.

e. Loss Covered Under More Than One Insuring Agreement of this **Crime Policy**

Subject to any applicable Crime Policy Aggregate Limit of Insurance, if any **Single Loss** is comprised of loss covered under more than one Insuring Agreement, the most the Company will pay the **Insured** for such **Single Loss** is the lesser of:

- i. the actual amount of such **Single Loss**; or

- ii. the sum of the Single Loss Limits of Insurance applicable to such Insuring Agreements applying to such loss.

## 2. Single Loss Retention

The Company will not pay the **Insured** for any **Single Loss** unless the amount of such **Single Loss** exceeds the Single Loss Retention shown in Item 5 of the Declarations. The Company will pay the **Insured** the amount of any **Single Loss** in excess of the Single Loss Retention, up to the Single Loss Limit of Insurance for the applicable Insuring Agreement.

If more than one Single Loss Retention applies to the same **Single Loss**, then only the highest Single Loss Retention will be applied.

No Single Loss Retention applies to any legal expenses paid to the **Insured** solely under Insuring Agreement B.

## 3. The Insured's Duties in the Event of a Loss

After the **Insured Discovers** a loss or a situation that may result in loss of or loss from damage to **Money**, **Securities** or **Other Property** that exceeds 25% of the Single Loss Retention, the **Insured** must:

- a. notify the Company as soon as possible;
- b. notify law enforcement authorities if the **Insured** has reason to believe that any loss, except for loss covered under Insuring Agreements A.1., A.2., A.3., or F.2., involves a violation of law;
- c. submit to examination under oath at the Company's request and give the Company a signed statement of the **Insured's** answers;
- d. give the Company a detailed, sworn proof of loss within 120 days; and
- e. cooperate with the Company in the investigation and settlement of any claim.

Proof of loss under Insuring Agreement B. and H.1. must include: (1) an affidavit of **Forgery** setting forth the amount and cause of loss; and (2) the original written **Covered Instruments** or **Personal Covered Instruments** or a copy of such written instruments.

## 4. Valuation / Settlement

Subject to the applicable limit of insurance provision (Section V. CONDITIONS B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT 1. Limit of Insurance) the Company will pay the **Insured** for:

- a. loss of **Money** but only up to and including its face value, and, at the Company's option, pay for loss of **Money** issued by any country other than the United States of America:
  - i. at face value in the **Money** issued by that country; or
  - ii. in the United States of America dollar equivalent determined by the rate of exchange published in The Wall Street Journal on the day the loss was **Discovered**;
- b. loss of **Securities** but only up to and including their value at the close of business on the day the loss was **Discovered**, and at the Company's option:
  - i. pay the **Insured** the value of such **Securities** or replace them in kind, in which event the **Insured** must assign to the Company all the **Insured's** rights, title and interest in those **Securities**; or

- ii. pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the **Securities**; provided, the Company will be liable only for the cost of the Lost Securities Bond as would be charged for a bond having a penalty not exceeding the lesser of the value of the **Securities** at the close of business on the day the loss was **Discovered**;
- c. loss of, or loss from damage to, **Other Property** or **Premises** including its exterior for the replacement cost without deduction for depreciation; provided, the Company will pay the **Insured** the lesser of the following:
  - i. the applicable Single Loss Limit of Insurance;
  - ii. the cost to replace **Other Property** or **Premises** including its exterior with property of comparable material and quality, and used for the same purpose; or
  - iii. the amount the **Insured** actually spends that is necessary to repair or replace such property;

provided, the Company will, at its option, pay the **Insured** for loss of, or loss from damage to, **Other Property** or **Premises** including its exterior, in the **Money** of the country in which the loss occurred, or in the United States of America dollar equivalent of the **Money** of the country in which the loss occurred determined by the rate of exchange published in The Wall Street Journal on the day the loss was **Discovered**.

The Company will not pay the **Insured** on a replacement cost basis for any loss or damage until such property is actually repaired or replaced, and unless the repairs or replacement are made as soon as reasonably possible after the loss or damage. If the lost or damaged property is not repaired or replaced, the Company will pay the **Insured** actual cash value on the day the loss was **Discovered**.

Any property that the Company pays the **Insured** for or replaces becomes the Company's property.

## 5. Records

The **Insured** must keep records of all **Money**, **Securities**, and **Other Property** under this **Crime Policy** so the Company can verify the amount of any loss.

## 6. Recoveries

- a. All recoveries for payments made under this **Crime Policy** should be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:
  - i. first, to the **Insured** to reimburse the **Insured** for loss sustained that would have been paid under this **Crime Policy** but for the fact that it is in excess of the applicable Single Loss Limit(s) of Insurance;
  - ii. second, to the Company in satisfaction of amounts paid or to be paid to the **Insured** in settlement of the **Insured's** covered claim;
  - iii. third, to the **Insured** in satisfaction of any Single Loss Retention; and
  - iv. fourth, to the **Insured** in satisfaction of any loss not covered under this **Crime Policy**.
- b. The value of all property received by the **Insured** from any source whatever and whenever received, in connection with any matter from which a loss has arisen, will be valued as of the date received and will be deducted from the covered loss.

- c. Recoveries do not include any recovery:
  - i. from insurance, suretyship, reinsurance, security or indemnity taken for the Company's benefit; or
  - ii. of original **Securities** after duplicates of them have been issued.

7. Transfer of the Insured's Rights of Recovery Against Others to the Company

The **Insured** must transfer to the Company all the **Insured's** rights of recovery against any person or organization for any loss the **Insured** sustained and for which the Company has paid or settled. The **Insured** must also do everything necessary to secure those rights and do nothing after loss to impair them.

8. Legal Action Against the Company

The **Insured** may not bring any legal action against the Company involving loss:

- a. unless the **Insured** has complied with all the terms of this **Crime Policy**;
- b. until 90 days after the **Insured** has filed proof of loss with the Company; and
- c. unless brought within two (2) years from the date the **Insured Discovers** the loss.

If any limitation in this Condition B.8. is deemed to be inconsistent with applicable law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

9. Liberalization

If the Company adopts any revision to the Crime Terms and Conditions of this **Crime Policy** that would broaden coverage and such revision does not require an additional premium or endorsement and the revision is adopted within 45 days prior to or during the **Policy Period**, the broadened coverage will apply to this **Crime Policy** as of the date the revision is approved for general use by the applicable department of insurance.

## C. EMPLOYEE BENEFIT PLAN PROVISIONS – INFLATION GUARD

In compliance with certain provisions of ERISA:

- 1. if any **Employee Benefit Plan** is insured jointly with any other entity under this **Crime Policy**, the **Insured** must select a Single Loss Limit of Insurance for Insuring Agreement A.2. that is sufficient to provide an amount of insurance for each **Employee Benefit Plan** that is at least equal to that required if each **Employee Benefit Plan** were insured separately;
- 2. if the **Insured** is an entity other than an **Employee Benefit Plan**, any payment the Company makes to the **Insured** for loss sustained by any **Employee Benefit Plan** will be held by such **Insured** for the use and benefit of the **Employee Benefit Plan(s)** sustaining the loss; and
- 3. if two or more **Employee Benefit Plans** are covered under this **Crime Policy**, any payment the Company makes for loss:
  - a. sustained by two or more **Employee Benefit Plans**; or

- b. of commingled **Money, Securities** or **Other Property** of two or more **Employee Benefit Plans**;

that arises out of a **Single Loss** is to be shared by each **Employee Benefit Plan** sustaining loss, in the proportion that the limit of insurance required under ERISA for each such **Employee Benefit Plan**, bears to the total of those limits of insurance.

- 4. If, at the inception date of this **Crime Policy**, or a preceding policy written by the Company that provided ERISA fidelity coverage for **Employee Benefit Plans**, the **Insured** has or had a Single Loss Limit of Insurance under such ERISA fidelity coverage for **Employee Benefit Plans** that is or was equal to or greater than the limit of insurance required under ERISA, the Single Loss Limit of Insurance under Insuring Agreement A.2. will equal the greater of the amount of the limit of insurance required by ERISA or the Single Loss Limit of Insurance set forth in Item 5. of the Declarations for Insuring Agreement A.2.

#### D. CANCELLATION OR TERMINATION

- 1. The **Insured** may cancel:
  - a. this **Crime Policy** in its entirety;
  - b. an Insuring Agreement; or
  - c. coverage for any **Insured**;

by mailing or delivering to the Company advance written notice of cancellation.

- 2. The Company may cancel:
  - a. this **Crime Policy** in its entirety;
  - b. an Insuring Agreement; or
  - c. coverage for any **Insured**;

by mailing or delivering to the **First Named Insured** written notice of cancellation at least 20 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or 60 days before the effective date of cancellation if the Company cancels for any other reason.

The Company will mail or deliver the Company's notice to the **First Named Insured's** last mailing address known to the **Company**. Notice of cancellation will state the effective date of cancellation and the **Policy Period** will end on that date. If this **Crime Policy** or an Insuring Agreement is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels this **Crime Policy**, the refund will be pro rata. If the **Insured** cancels, the earned premium will be computed in accordance with the customary short rate table and procedure. The cancellation will be effective even if the Company has not made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.

- 3. This **Crime Policy** terminates:
  - a. in its entirety immediately upon the expiration of the **Policy Period**;

- b. in its entirety immediately upon exhaustion of the Policy Aggregate Limit of Insurance, if applicable; provided, that no **Crime Policy** termination under this Condition D.3.b. will be effective with respect to any **Employee Benefit Plan** covered under Insuring Agreement A.2.;
- c. in its entirety immediately upon the voluntary liquidation or dissolution of the **First Named Insured**; provided, that no **Crime Policy** termination under this Condition D.3.c. will be effective with respect to any **Employee Benefit Plan** covered under Insuring Agreement A.2.; or
- d. as to any **Subsidiary** immediately upon the **Change of Control** of such **Subsidiary**.

4. This **Crime Policy** terminates as to any **Employee**:

- a. as soon as the **Insured's** partner, any of the **Insured's Management Staff Members** or any **Employee** with managerial or supervisory responsibility not in collusion with the **Employee** becomes aware of any dishonest or fraudulent employment related act involving an amount in excess of \$10,000; or
- b. 60 days after the **Insured's** partner, any of the **Insured's Management Staff Members** or any **Employee** with managerial or supervisory responsibility not in collusion with the **Employee** becomes aware of any dishonest or fraudulent non-employment related act; either of which acts were committed by such **Employee** in the **Insured's** service, during the term of employment by the **Insured** or prior to employment by the **Insured**, provided such dishonest or fraudulent non-employment related act involved **Money, Securities** or **Other Property** is in an amount in excess of \$10,000.

**E. CHANGES**

Only the **First Named Insured** is authorized to make changes in the terms of this **Crime Policy** and solely with the Company's prior written consent. This **Crime Policy's** terms can be changed, amended or waived only by endorsement issued by the Company and made a part of this **Crime Policy**. Notice to any representative of the **Insured** or knowledge possessed by any agent or by any other person will not effect a waiver or change to any part of this **Crime Policy**, or estop the Company from asserting any right under the terms, conditions and limitations of this **Crime Policy**, nor may the terms, conditions and limitations hereunder be waived or changed, except by a written endorsement to this **Crime Policy** issued by the Company.

**F. ENTIRE AGREEMENT**

The Declarations, the application, the Crime Terms and Conditions, and any endorsements attached thereto, constitute the entire agreement between the **Insured** and the Company.

**G. HEADINGS**

The titles of the various paragraphs of this **Crime Policy** and its endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provision to which they relate.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMEND DEFINITION OF EMPLOYEE ENDORSEMENT

This endorsement modifies the following coverage:

### Crime

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#### It is agreed that:

Solely with respect to the coverage shown above, Section III. DEFINITIONS S. **Employee** 1.a. is replaced with the following:

1. any natural person:

- a. while in the **Insured's** service or for **90** days after termination of service, unless such termination is due to **Theft** or **Forgery** or any other dishonest act committed by the **Employee**;

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Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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**AMENDED DUTIES IN THE EVENT OF LOSS ENDORSEMENT  
(KNOWLEDGE BY CORPORATE OFFICIALS)**

This endorsement modifies the following coverage:

**Crime**

**It is agreed that:**

Solely with respect to the coverage shown above:

1. Section III. DEFINITIONS P. **Discover, Discovered, or Discovery** is replaced by the following:
  - P. **Discover, Discovered, or Discovery** means the moment when any Corporate Official designated in the SCHEDULE below:
    1. first become(s) aware of facts which would cause a reasonable person to assume that a loss of a type covered by this **Crime Policy** has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact details of loss may not then be known; or
    2. first receive(s) notice of an actual or potential claim against the **Insured** alleging facts which if true would constitute a loss under this **Crime Policy**.

Notwithstanding the use of the phrases, "**Discovered** by the **Insured**," and, "the **Insured Discovers**," throughout this **Crime Policy, Discovery** is limited to any Corporate Official designated in the SCHEDULE below and any such phrases will be read consistent with this limitation.

2. Section II. GENERAL AGREEMENTS A.2. is replaced by the following:
  - A. JOINT INSURED:
    2. If any Corporate Official designated in the SCHEDULE below has knowledge of any information relevant to this **Crime Policy**, that knowledge is considered knowledge of every **Insured**.

SCHEDULE

**Corporate Official:**

Chief Executive Officer

Chief Financial Officer

Risk Manager

In House General Counsel

Human Resource Manager

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or functional equivalents

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Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

**GOVERNMENT ENTITY CRIME ENDORSEMENT – FAITHFUL PERFORMANCE OF DUTY**

This endorsement modifies the following:

Crime

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It is agreed that:

1. The following is added to Section **I. INSURING AGREEMENTS, A. Fidelity**, 1. Employee Theft-Per Loss Coverage and 2. Employee Theft-Per Employee Coverage:

**Faithful Performance of Duty**

The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, **Money, Securities and Other Property** directly caused by the failure of any **Employee** to faithfully perform the **Employee's** duties as prescribed by law.

2. The limit of liability for Faithful Performance of Duty coverage is **\$1,000,000**, and such limit is part of, and not in addition to, the limit of liability for Insuring Agreement A.1., FIDELITY, Employee Theft-Per Loss Coverage, and Insuring Agreement A.2., FIDELITY, Employee Theft-Per Employee Coverage, respectively, if coverage is carried thereunder.

3. The following is added to Section **III. DEFINITIONS**:

**Financial Institution Failure** means the failure of any **Financial Institution** acting as a depository for property that the **Insured** owns or for which the **Insured** is legally liable.

4. The following is added to Section **IV. EXCLUSIONS**:

This **Crime Policy** will not apply to loss resulting directly or indirectly from **Financial Institution Failure**.

5. The following replaces paragraph 4.a. of section **V. CONDITIONS, D. CANCELLATION OR TERMINATION**:

4. This **Crime Policy** terminates as to any **Employee**

- a. as soon as the **Insured's** partner, any of the **Insured's Management Staff Members** or any **Employee** with managerial or supervisory responsibility not in collusion with the **Employee** becomes aware of any employment related act committed by the **Employee** that would constitute a loss under the terms of this **Crime Policy**, involving **Money, Securities or Other Property** in an amount in excess of \$10,000; or

6. The following replaces the INDEMNIFICATION provision as set forth in paragraph 6. of the Government Entity Crime Endorsement:

**Indemnification**

The Company will indemnify any of the **Insured's** officials who are required by law to give bonds for the faithful performance of their duties against loss through the failure of any **Employee** under the supervision of that official to faithfully perform such **Employee's** duties as prescribed by law, when such failure directly causes direct loss of, or direct loss from damage to, the **Insured's Money, Securities and Other Property**, subject to the applicable Limit of Insurance. The provisions of this Condition apply to Insuring Agreement A only.

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Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMEND EXTENDED PERIOD TO DISCOVER LOSS ENDORSEMENT**

This endorsement modifies the following coverage:

**CRIME**

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**It is agreed that:**

Solely with respect to the coverage shown above, Item a. of paragraph 3. Extended Period to Discover Loss of Section A. GENERAL CONDITIONS of **V. CONDITIONS** is replaced with the following:

- a. no later than **4** months from the date of cancellation or termination; and

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Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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**GOVERNMENT ENTITY CRIME ENDORSEMENT  
INCLUDING COVERAGE FOR TREASURERS AND TAX COLLECTORS**

This endorsement modifies the following:

Crime

It is agreed that:

1. Item 5. of the **DECLARATIONS, Insuring Agreement A. Fidelity** is replaced with the following:

<b>Insuring Agreement</b>	<b>Single Loss Limit of Insurance</b>	<b>Single Loss Retention</b>
<b>A. Fidelity</b>		
1. Employee Theft - Per Loss Coverage	<b>\$1,000,000</b>	<b>\$10,000</b>
2. Employee Theft - Per Employee Coverage		

2. Section **I. INSURING AGREEMENTS, A. FIDELITY** is replaced with the following:

A. FIDELITY

1. Employee Theft - Per Loss Coverage

The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, **Money, Securities** and **Other Property** directly caused by **Theft** or **Forgery** committed by an **Employee**, whether identified or not, acting alone or in collusion with other persons.

2. Employee Theft - Per Employee Coverage

The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, **Money, Securities**, and **Other Property** directly caused by **Theft** or **Forgery** committed by each **Employee**, whether identified or not, acting alone or in collusion with other persons.

3. Section **II. GENERAL AGREEMENTS, A. JOINT INSURED, 5.** is replaced with the following:

5. Payment by the **Company** to the **First Named Insured** for loss sustained by any **Insured** fully releases the Company on account of such loss.

4. Section **III. DEFINITIONS** is amended as follows:

- A. Definition DD. **Insured** is replaced with the following:

DD. **Insured** means:

1. the **First Named Insured**,
2. any **Sponsored Plan**, or
3. any other entity listed in Item 1. of the Declarations.

- B. Paragraph 1. of Definition RR. **Single Loss** is replaced with the following:

RR. **Single Loss** means:

1. for purposes of Insuring Agreement A.1:
  - a. an individual act;
  - b. the combined total of all separate acts; or
  - c. a series of related acts;

committed by an **Employee** or committed by more than one **Employee** acting alone or in collusion with other persons both during and before the **Policy Period**; and

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2. for purposes of Insuring Agreement A.2.:
  - a. an individual act;
  - b. the combined total of all separate acts; or
  - c. a series of related acts;committed by each **Employee** acting alone or in collusion with other persons both during and before the **Policy Period**.

C. Paragraph 1. of Definition UU. **Theft** is deleted.

5. Section **IV. EXCLUSIONS** is amended as follows:

- A. Exclusion C is replaced by the following:
  - C. This **Crime Policy** will not apply to loss resulting directly or indirectly from any fraudulent, dishonest or criminal act committed by the **Insured**, the **Insured's** natural person partners, any **LLC Member** or **Officer-Shareholder**, whether acting alone or in collusion with others.
- B. References to Insuring Agreement A.3. are deleted from Exclusions D, E, F, G, H, O, P, W, and X.
- C. Exclusion CC. is replaced by the following:
  - CC. This **Crime Policy** will not apply to loss sustained by the **Insured** or any **Subsidiary** to the extent it results in a benefit, gain or transfer to the **Insured** or any **Subsidiary**.
- D. The following Exclusion is added:
  - DD. This **Crime Policy** will not apply to loss caused by any **Employee** required by law to be individually bonded.

6. Section **V. CONDITIONS** is amended as follows:

- A. Section **A. GENERAL CONDITIONS**, 5. Ownership of Property; Interests Covered, b. is deleted.
- B. The third paragraph, which reads, "The provisions of this Condition B.1.a will not be applicable to Insuring agreement A.2." is deleted from section **B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT**, 1. **Limit of Insurance**, a. Policy Aggregate Limit of Insurance.
- C. Section **B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT**, 3. **The Insured's Duties in the Event of a Loss**, b. is replaced with the following:
  - b. notify law enforcement authorities if the **Insured** has reason to believe that any loss, except for loss covered under Insuring Agreements A.1., A.2., or F.2., involves a violation of law;
- D. Section **C. EMPLOYEE BENEFIT PROVISIONS - INFLATION GUARD** is deleted.
- E. Sections **D. CANCELLATION OR TERMINATION**, 3 b. and c. are replaced with the following:
  - b. in its entirety immediately upon exhaustion of the Policy Aggregate Limit of Insurance, if applicable;
  - c. in its entirety immediately upon the voluntary liquidation or dissolution of the **First Named Insured**;

7. The following Condition is added:  
**Indemnification**

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

The Company will indemnify any of the **Insured's** officials who are required by law to give individual bonds for the faithful performance of their duties, against loss through **Theft** committed by **Employees** who serve under them, subject to the applicable Limit of Insurance. The provisions of this Condition apply to Insuring Agreement A only.

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**SPECIMEN - QUOTE 1**

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**GLOBAL COVERAGE COMPLIANCE ENDORSEMENT – ADDING FINANCIAL INTEREST COVERAGE AND SANCTIONS CONDITION AND AMENDING TERRITORY CONDITION**

This endorsement changes the following:

**Crime**

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**It is agreed that:**

1. The following is added to section **III. DEFINITIONS**:

**Financial Interest** means the **First Named Insured's** insurable interest in an **Insured** that is domiciled in a country or jurisdiction in which the Company is not licensed to provide this insurance, as a result of the **First Named Insured's**:

1. ownership of the majority of the outstanding securities or voting rights of the **Insured** representing the present right to elect, appoint, or exercise a majority control over such **Insured's** board of directors, board of trustees, board of managers, natural person general partner, or functional foreign equivalent;
2. indemnification of, or representation that it has an obligation to indemnify, the **Insured** for loss sustained by such **Insured**; or
3. election or obligation to obtain insurance for such **Insured**.

2. The following replaces section **V. CONDITIONS, A. GENERAL CONDITIONS, 1., Territory Covered**:

1. Territory Covered

- a. Except as indicated in Item 5. of the Declarations,

- i. the Company will cover loss the **Insured** sustains anywhere in the world, and
- ii. the Company will cover all of the **Insured's** offices and **Premises**, including any additional offices or **Premises** pursuant to sections II. GENERAL AGREEMENTS B. ADDITIONAL OFFICES, C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS, and D. ACQUISITIONS in this **Crime Policy**.

- b. This **Crime Policy** does not apply to:

- i. loss sustained by an **Insured** domiciled; or
- ii. loss of **Other Property** located,

in any country or jurisdiction in which the Company is not licensed to provide this insurance, to the extent that providing this insurance would violate the laws or regulations of such country or jurisdiction.

- c. In the event an **Insured** sustains loss referenced in b. above to which this **Crime Policy** would have applied, the Company will reimburse the **First Named Insured** for its loss, on account of its **Financial Interest** in such **Insured**.

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**SPECIMEN - QUOTE 1**

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3. The following is added to section **V. CONDITIONS, B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT**:

In the event the Company reimburses the **First Named Insured** on account of its **Financial Interest** in an **Insured**, as a condition precedent to exercising rights under this **Crime Policy**, the **First Named Insured** will cause the **Insured** to comply with the conditions of this **Crime Policy**.

4. The following is added to section **V. CONDITIONS**:

**SANCTIONS**

This **Crime Policy** will provide coverage for any loss or expenses, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose the Company or any of its affiliated or parent companies to any trade or economic sanction under any law or regulation of the United States of America or any other applicable trade or economic sanction, prohibition or restriction.

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Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

**SOCIAL ENGINEERING FRAUD INSURING AGREEMENT ENDORSEMENT**

This endorsement changes the following:

**Crime**

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**It is agreed that:**

1. The following is added to ITEM 5. of the Declarations:

<b>Insuring Agreement</b>	<b>Single Loss Limit of Insurance</b>	<b>Single Loss Retention</b>
<b>Social Engineering Fraud</b>	\$100,000	\$5,000

2. The following **INSURING AGREEMENT** is added to section I. **INSURING AGREEMENTS**:

**SOCIAL ENGINEERING FRAUD**

The Company will pay the **Insured** for the **Insured's** direct loss from the transferring, paying or delivering of **Money** or **Securities**, directly caused by **Social Engineering Fraud**.

3. The following are added to section III. **DEFINITIONS**:

**Authorized Person** means an **Officer-Shareholder**, sole proprietor, director, trustee, natural person partner, **LLC Manager** or **LLC Member** who is authorized by the **Insured** to transfer, pay, or deliver **Money** or **Securities** or to instruct **Employees** or other **Authorized Persons** to transfer, pay, or deliver **Money** or **Securities**.

**Communication** means an electronic, telegraphic, cable, teletype, telephonic voice, telefacsimile, or written instruction received by an **Employee** or **Authorized Person** that:

1. directs the **Employee** or **Authorized Person** to transfer, pay, or deliver **Money** or **Securities**;
2. contains a misrepresentation of a material fact; and
3. is relied upon by the **Employee** or **Authorized Person**, believing the material fact to be true.

**Social Engineering Fraud** means the intentional misleading of an **Employee** or **Authorized Person** by a natural person impersonating:

1. a **Vendor**, or that **Vendor's** attorney;
2. a **Client**, or that **Client's** attorney;
3. an **Employee**; or
4. an **Authorized Person**,  
through the use of a **Communication**.

**Vendor** means an entity or natural person that has provided goods or services to the **Insured** under a genuine, pre-existing, written agreement or other agreed-upon arrangement.

**Vendor** does not include any **Financial Institution**, asset manager, armored motor vehicle company, or similar entity.

4. The following replaces section III. **DEFINITIONS**, G. **Computer System**:

G. **Computer System** means:

1. any computer; and
2. any input, output, processing, storage, or communication device, or any related network, cloud service, operating system, or application software, that is connected to, or used in connection with, such computer, that is rented by, owned by, leased by, licensed to, or under the direct operational control of, the **Insured**.

5. Solely with respect to the Social Engineering Fraud Insuring Agreement, the following replaces section III. **DEFINITIONS, C. Client:**

C. **Client** means an entity or natural person for which the **Insured** provides goods or performs services, for a fee, or as specified in a pre-existing written agreement, but only while the written agreement is in effect.

6. The following replaces section III. **DEFINITIONS, E. Computer Fraud:**

E. **Computer Fraud** means an intentional, unauthorized, and fraudulent entry or change of data or computer instructions directly into a **Computer System:**

1. by a natural person or entity, other than an **Employee, Authorized Person**, independent contractor, or any individual under the direct supervision of the **Insured**, including any such entry or change made via the internet, provided that such entry or change causes **Money, Securities, or Other Property** to be transferred, paid, or delivered from inside the **Premises** or from the **Insured's Financial Institution Premises**, to a place outside the **Premises** or the **Insured's Financial Institution Premises**; or
2. made by an **Employee** or **Authorized Person** acting in good faith upon an intentional, unauthorized, and fraudulent instruction received from a computer software contractor who has a written agreement with the **Insured** to design, implement, or service **Computer Programs** for a **Computer System** covered under section I. **INSURING AGREEMENTS, F. COMPUTER CRIME** .

For purposes of this definition, an intentional, unauthorized, and fraudulent entry or change of data or computer instructions does not include such entry or change made by an **Employee, Authorized Person**, independent contractor, or any individual under the direct supervision of the **Insured** made in reliance upon any fraudulent electronic, cable, teletype, telephonic voice, telefacsimile, or written instruction, except as defined in E.2. above. An intentional, unauthorized, and fraudulent entry or change of data or computer instructions also does not include such entry or change that involves the use, or purported use, of any **Credit, Debit, or Charge Card** or any access, convenience, identification, stored value, or other similar cards, including the information contained on such cards.

**Computer Fraud** does not include **Social Engineering Fraud** or **Funds Transfer Fraud**.

7. The following replaces section III. **DEFINITIONS, AA. Funds Transfer Fraud:**

AA. **Funds Transfer Fraud** means:

1. an electronic, telegraphic, cable, teletype, or telephone instruction, fraudulently transmitted to a **Financial Institution** directing such institution to debit a **Transfer Account** and to transfer, pay, or deliver **Money** or **Securities** from the **Transfer Account** , which instruction purports to have been transmitted by the **Insured** but was in fact fraudulently transmitted by someone other than the **Insured** without the **Insured's** knowledge or consent; or
2. a fraudulent written instruction, other than one covered under Insuring Agreement B., issued to a **Financial Institution** directing such **Financial Institution** to debit a **Transfer Account** and to transfer, pay, or deliver **Money** or **Securities** from such **Transfer Account** by use of an electronic funds transfer system at specified intervals or under specified conditions, which written instruction purports to have been issued by the **Insured** but was in fact fraudulently issued, **Forged**, or altered by someone other than the **Insured** without the **Insured's** knowledge or consent.

**Funds Transfer Fraud** does not include **Social Engineering Fraud**.

8. The following replaces section III. **DEFINITIONS, DD. Insured:**

DD. **Insured** means:

1. for the purposes of Insuring Agreement A.2. and the Social Engineering Fraud Insuring Agreement, any and all **Employee Benefit Plans:**
  - a. which have been established or maintained by an **Employee Benefit Plan Sponsor** as of the inception date of this **Crime Policy**; or
  - b. which have been created or acquired by an **Employee Benefit Plan Sponsor** after the inception date of this **Crime Policy**, subject to the provisions of General Agreements C. and D.
2. for the purposes of all Insuring Agreements, except Insuring Agreement A.2.:
  - a. the **First Named Insured**,
  - b. any **Subsidiary**,
  - c. any **Sponsored Plan**, or
  - d. any other entity listed in Item 1. of the Declarations.

9. The following replaces section **IV. EXCLUSIONS**, G., H., and R.:
- G. This **Crime Policy** will not apply to loss or damages resulting directly or indirectly from the input of **Electronic Data** by a natural person having the authority to enter the **Computer System**, unless covered under Insuring Agreements A.1., A.2., A.3., F1., but only when covered under section III. DEFINITIONS, E., **Computer Fraud**, 2., F.2., G., or the Social Engineering Fraud Insuring Agreement.
  - H. This **Crime Policy** will not apply to loss resulting from forged, altered, or fraudulent negotiable instruments, securities, documents, or instructions used as source documentation to enter **Electronic Data** or send instructions, provided this does not apply to Insuring Agreements A.1., A.2., A.3., or the Social Engineering Fraud Insuring Agreement.
  - R. This **Crime Policy** will not apply to loss resulting directly or indirectly from:
    - 1. the giving or surrendering of **Money, Securities** or **Other Property** in any exchange or purchase, whether genuine or fictitious; or
    - 2. any other giving or surrendering of, or voluntary parting with, **Money, Securities** or **Other Property**, whether or not induced by any dishonest or fraudulent act, except when covered under:
      - a. Insuring Agreement A.;
      - b. Insuring Agreement E.;
      - c. Insuring Agreement F1., or
      - d. the Social Engineering Fraud Insuring Agreement.
10. Solely with respect to the Social Engineering Fraud Insuring Agreement, the following replaces section **IV. EXCLUSIONS**, T.:
- T. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property**:
    - 1. while in the mail; or
    - 2. while in the custody of any messenger, carrier for hire, or armored motor vehicle company.
11. Solely with respect to the Social Engineering Fraud Insuring Agreement, the following are added to section **IV. EXCLUSIONS**:
- This **Crime Policy** will not apply to:
- a. loss or damage due to **Theft** by an **Employee, Forgery, Computer Fraud, Funds Transfer Fraud**, or acceptance of money orders or **Counterfeit Money**;
  - b. loss due to any investment in **Securities**, or ownership in any corporation, partnership, real property, or similar instrument, whether or not such investment is genuine;
  - c. loss due to the failure, malfunction, illegitimacy, inappropriateness, or inadequacy of any product or service;
  - d. loss resulting directly or indirectly from the failure of any party to perform in whole or in part under any contract;
  - e. loss due to any non-payment of or default upon any loan, extension of credit, or similar promise to pay;
  - f. loss due to any party's use of or acceptance of any **Credit, Debit or Charge Card** or any access, convenience, identification, stored value or other similar card or instrument, including the information contained on such cards, whether or not genuine; or
  - g. loss due to items of deposit which are not finally paid for any reason, including forgery or any other fraud; however, this exclusion does not apply to United States Government checks or drafts that are returned by the United States Government for any reason after the funds for said checks or drafts have been credited to the **Insured's** account at a **Financial Institution**.

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Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

**AMEND CANCELLATION AS TO ANY EMPLOYEE ENDORSEMENT**

This endorsement changes the following:

**Crime**

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**It is agreed that:**

The following replaces section **V. CONDITIONS D.4.**:

4. This **Crime Policy** terminates as to any **Employee**:
  - a. as soon as the **Insured's** partner, any of the **Insured's Management Staff Members** or any **Employee** with managerial or supervisory responsibility not in collusion with the **Employee** becomes aware of any dishonest or fraudulent employment related act involving an amount in excess of \$25,000.; or
  - b. 60 days after the **Insured's** partner, any of the **Insured's Management Staff Members** or any **Employee** with managerial or supervisory responsibility not in collusion with the **Employee** becomes aware of any dishonest or fraudulent non-employment related act; either of which acts were committed by such **Employee** in the **Insured's** service, during the term of employment by the **Insured** or prior to employment by the **Insured**, provided such dishonest or fraudulent non-employment related act involved **Money, Securities** or **Other Property** in an amount in excess of \$25,000.

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Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number: **106802814**

CRI-7026 Rev. 07-13

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Page 1 of 1

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**REPLACE EXCLUSION BB. ENDORSEMENT**

This endorsement changes the following:

**Crime**

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**It is agreed that:**

The following replaces section **IV. EXCLUSIONS**, BB.:

BB. Except as outlined in section II. GENERAL AGREEMENTS, C. and D., this **Crime Policy** will not apply to loss sustained by any **Subsidiary** or related **Employee Benefit Plan** or **Sponsored Plan**, occurring at any time during which such entity was not a **Subsidiary** or related **Employee Benefit Plan** or **Sponsored Plan**.

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Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number: **106802814**

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CRI-19097 Ed. 05-17

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Page 1 of 1

**SPECIMEN - QUOTE 1**

**Page 42 of 42**

## Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

### **Beazley USA Services, Inc. (on behalf of one or more Beazley Group insurers)**

To get information or file a complaint with your insurance company or HMO:

**Call: Compliance Department at 1-860-677-3700**

**Toll Free: 1-866-623-2953**

Online: [www.beazley.com](http://www.beazley.com)  
Email: [us.complaints@beazley.com](mailto:us.complaints@beazley.com)  
Mail: 30 Batterson Park Road  
Farmington, CT 06032

### **The Texas Department of Insurance**

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439  
File a complaint: [www.tdi.texas.gov](http://www.tdi.texas.gov)  
Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)  
Mail: MC 111-1A  
P.O. Box 149091  
Austin, TX 78714-9091

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## ¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

### **Beazley USA Services, Inc. (on behalf of one or more Beazley Group insurers)**

Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

**Llame a: Compliance Department al 1-860-677-3700**

**Teléfono gratuito: 1-866-623-2953**

En línea: [www.beazley.com](http://www.beazley.com)  
Correo electrónico: [us.complaints@beazley.com](mailto:us.complaints@beazley.com)  
Dirección postal: 30 Batterson Park Road  
Farmington, CT 06032

### **El Departamento de Seguros de Texas**

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439  
Presente una queja en: [www.tdi.texas.gov](http://www.tdi.texas.gov)  
Correo electrónico: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)  
Dirección postal: MC 111-1A  
P.O. Box 149091  
Austin, TX 78714-9091

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Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:

Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

### COMPUTER HARDWARE REPLACEMENT COST

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. The definition of **Extra Expense** is deleted in its entirety and replaced with the following:

**Extra Expense** means reasonable and necessary expenses incurred by the **Insured Organization** during the **Period of Restoration** to minimize, reduce or avoid **Income Loss**, over and above those expenses the **Insured Organization** would have incurred had no **Security Breach, System Failure, Dependent Security Breach** or **Dependent System Failure** occurred; and includes reasonable and necessary expenses incurred by the **Insured Organization** to replace computers or any associated devices or equipment operated by, and either owned by or leased to, the **Insured Organization** that are unable to function as intended due to corruption or destruction of software or firmware directly resulting from a **Security Breach**, provided however that the maximum sublimit applicable to **Extra Expense** incurred to replace such devices or equipment is USD 500,000.

2. Part 2. of the **Bodily Injury or Property Damage** exclusion is deleted in its entirety and replaced with the following:

2. physical injury to or destruction of any tangible property, including the loss of use thereof; but this will not apply to the loss of use of computers or any associated devices or equipment operated by, and either owned by or leased to, the **Insured Organization** that are unable to function as intended due to corruption or destruction of software or firmware directly resulting from a **Security Breach**. Electronic data shall not be considered tangible property;

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. Referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**SANCTION LIMITATION AND EXCLUSION CLAUSE**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, law or regulations of the European Union, United Kingdom or United States of America.

All other terms and conditions of this Policy remain unchanged.

  
\_\_\_\_\_  
Authorized Representative

DECLINING

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**WAR AND CIVIL WAR EXCLUSION**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that **EXCLUSIONS** is amended to include:

**War and Civil War**

For resulting from, directly or indirectly occasioned by, happening through or in consequence of: war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority; provided, that this exclusion will not apply to **Cyber Terrorism**.

For purposes of this exclusion, "**Cyber Terrorism**" means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**ASBESTOS, POLLUTION, AND CONTAMINATION EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under this Policy will not apply to any **Loss** arising out of either in whole or in part, directly or indirectly arising out of or resulting from or in consequence of, or in any way involving:

1. asbestos, or any materials containing asbestos in whatever form or quantity;
2. the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; and any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins;

The Underwriters will have no duty or obligation to defend any **Insured** with respect to any **Claim** or governmental or regulatory order, requirement, directive, mandate or decree which either in whole or in part, directly or indirectly, arises out of or results from or in consequence of, or in any way involves the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind;

3. the existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property; or
4. the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants; or any governmental, judicial or regulatory directive or request that the **Insured** or anyone acting under the direction or control of the **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize Pollutants. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant including gas, acids, alkalis, chemicals, heat, smoke, vapor, soot, fumes or waste. Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.

All other terms and conditions of this Policy remain unchanged.

  
\_\_\_\_\_  
Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. Referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**CAP ON LOSSES ARISING OUT OF CERTIFIED ACT OF TERRORISM**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

- A. If aggregate insured losses attributable to "Certified Acts of Terrorism" exceed \$100,000,000,000 in a calendar year and the Underwriters meet the applicable insurer deductible under the Terrorism Risk Insurance Act, the Underwriters are not liable for the payment of any portion of the amount of the losses exceeding \$100,000,000,000. Insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- B. As used in this endorsement, "Certified Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- C. Terrorism exclusions, or the inapplicability or omission of a terrorism exclusion, do not create coverage for injury or damage otherwise excluded under this Policy.

All other terms, exclusions and conditions of the policy remain unchanged.

  
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Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. Referred to in this endorsement as either the "Insurer" or the "Underwriters"**

### **NUCLEAR EXCLUSION**

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that this Policy does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
  - (a) with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
  - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
  - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.
- IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel

component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of

nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means:

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

All other terms and conditions of this Policy remain unchanged.

  
\_\_\_\_\_  
Authorized Representative

Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:

Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

**POLICYHOLDER DISCLOSURE NOTICE OF  
TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), insurance coverage provided by this Policy includes losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended:** The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

(LMA 9104 amended)

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"**

### **TEXAS AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

1. **GENERAL CONDITIONS, Defense of Claims** is amended by the addition of the following:

The Underwriters shall provide written notice to the **Named Insured** of an initial offer to settle or compromise a **Claim** against the **Insureds**, not less than ten (10) days after the date on which the offer to settle or compromise is made, unless the **Named Insured** advised the Underwriters of such initial offer to settle or compromise the **Claim**. The Underwriters shall also provide written notice to the **Named Insured** of the settlement of a **Claim** against an **Insured**, not less than thirty (30) days after the settlement.

2. **GENERAL CONDITIONS, Settlement of Claims** is amended by the addition of the following:

The Underwriters shall provide written notice to the **Named Insured** of an initial offer to settle or compromise a **Claim** against the **Insureds**, not less than ten (10) days after the date on which the offer to settle or compromise is made, unless the **Named Insured** advised the Underwriters of such initial offer to settle or compromise the **Claim**. The Underwriters shall also provide written notice to the **Named Insured** of the settlement of a **Claim** against an **Insured**, not less than thirty (30) days after the settlement.

3. The phrase "Optional Extension Period", wherever it appears in **DEFINITIONS**, shall be deemed to include "Automatic Extension Period".

4. **OPTIONAL EXTENSION PERIOD** is deleted in its entirety and replaced with the following:

#### **AUTOMATIC AND OPTIONAL EXTENSION PERIOD**

If the **Named Insured** or the Underwriters cancel or nonrenews this Policy, then the **Named Insured** shall have an automatic thirty (30) day extension of the coverage granted by this Policy following the effective date of cancellation or nonrenewal, but only with respect to any act, error or omission committed on or after the Retroactive Date and before the effective date of cancellation or nonrenewal. This period shall be referred to herein as the "Automatic Extension Period".

If the Underwriters or the **Named Insured** cancels or nonrenews this Policy, then the **Named Insured** shall have the right, upon payment of an additional premium calculated at that percentage shown in the **POLICY INFORMATION** section of the Declarations of the total premium for this Policy, to an extension of the coverage granted by this Policy with respect to any **Claim** first made against any **Insured** and reported in writing to the Underwriters during the period of time set forth the **POLICY INFORMATION** section of the Declarations after the end of the Automatic Extension Period, but only with respect to any act, error or omission committed on or after the Retroactive Date and before the effective date of cancellation or nonrenewal. The Optional Extension Period offered by the Underwriters shall be at least one (1) year in length.

As a condition precedent to the right to purchase the Optional Extension Period, the total premium for this Policy must have been paid. The right to purchase the Optional Extension

Period shall terminate unless written notice together with full payment of the premium for the Optional Extension Period is given to the Underwriters within thirty (30) days after the effective date of cancellation or nonrenewal. If such notice and premium payment is not so given to the Underwriters, there shall be no right to purchase the Optional Extension Period.

In the event of the purchase of the Optional Extension Period, the entire premium for the Optional Extension Period shall be deemed earned at its commencement.

The Automatic Extension Period and the purchase of the Optional Extension Period shall not in any way increase the Limit of Liability of the Underwriters.

5. **GENERAL CONDITIONS, Cancellation** is deleted in its entirety and replaced with the following:

#### **Cancellation and Nonrenewal**

The **Named Insured** may cancel this Policy by surrender thereof to the Underwriters, or by mailing to the Underwriters written notice stating when thereafter such cancellation shall be effective. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice shall be equivalent to mailing.

If this Policy has been in effect for sixty (60) days or less and is not a renewal Policy, the Underwriters may cancel this Policy for any reason.

If this Policy has been in effect for more than sixty (60) days, the Underwriters may only cancel this Policy for any of the following reasons:

1. fraud in obtaining coverage;
2. failure to pay premiums when due;
3. increase in hazard within the control of the **Insured** that would produce a rate increase;
4. loss of the Underwriters' reinsurance covering all or part of the risk covered by the Policy; or
5. the Underwriters are placed in supervision, conservatorship, or receivership and the cancellation is approved or directed by the supervisor, conservator, or receiver.

The Underwriters may cancel this Policy by mailing or delivering to the **Named Insured** written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective. The notice of cancellation shall state the reason for cancellation. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice by the Underwriters shall be equivalent to mailing. The Underwriters shall not cancel this Policy based solely on the fact that the **Insured** is an elected official.

If this Policy is cancelled pursuant to the first paragraph hereinabove, the Underwriters shall retain the customary short rate portion of the premium hereon. The customary short rate return premium shall be calculated by multiplying the pro rata unearned premium by ninety percent (90%). If this Policy is cancelled pursuant to the second paragraph hereinabove, the Underwriters shall retain the pro rata portion of the premium hereon. Payment or tender of any unearned premium by the Underwriters shall not be a condition precedent to the effectiveness of cancellation.

If the Underwriters decide not to renew this Policy, the Underwriters shall mail or deliver written notice to the **Named Insured** at the address shown in the Declarations at least sixty (60) days before the end of the **Policy Period**. The notice of nonrenewal shall state the reason for

nonrenewal. If notice of nonrenewal is delivered or mailed later than the 60th day before the date the Policy expires, the Policy's coverage shall remain in effect until the 61st day after the date on which the notice is delivered or mailed. Earned premium for any period of coverage that extends beyond the Policy's expiration date shall be computed pro rata based on the Policy's current rate. If this Policy is so extended, such period of extended coverage shall be part of and not in addition to the **Policy Period**. The Underwriters shall not refuse to renew this Policy based solely on the fact that the **Insured** is an elected official.

The regulatory requirements set forth in this Amendatory Endorsement shall supersede and take precedence over any provisions of this Policy or any endorsement to this Policy, whenever added, that are inconsistent with or contrary to the provisions of this Amendatory Endorsement, unless such Policy or endorsement provisions comply with the applicable insurance laws of this state.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

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**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**AMEND DEFINITION OF DATA**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged, it is hereby understood and agreed that the definition of **Data** is deleted in its entirety and replaced with the following:

**Data** means any software or electronic data that exists in **Computer Systems**.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

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Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:

Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

**CONTINGENT BODILY INJURY WITH SUBLIMIT ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Part 1. of the **Bodily Injury or Property Damage** exclusion is deleted in its entirety and replaced with the following:
  1. **Bodily Injury**; provided, this exclusion shall not apply to any **Claim** for **Contingent Bodily Injury**.
2. **DEFINITIONS** is amended by the addition of:

**Bodily Injury** means physical injury, sickness, disease or death of any person, including any mental anguish or emotional distress that results from such physical injury, sickness, disease or death.

**Contingent Bodily Injury** means those **Claims** wherein the **Damages** sought by the claimant are for **Bodily Injury** which arise solely out of a **Security Breach** affecting the **Insured Organization's Computer Systems** which is otherwise covered under the terms and conditions of this Policy; but not if the **Insured's** own act, error or omission is the direct immediate cause of such **Claim** for **Bodily Injury**. Furthermore, this extension of coverage applies only if such **Claim** for **Bodily Injury** is not covered under any other policy of insurance.
3. The Underwriter's aggregate limit of liability for all **Damages** resulting from all **Claims** covered under this Endorsement, made against any **Insured(s)** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any **Contingent Bodily Injury** shall be \$250,000, which amount shall be part of and not in addition to the **Policy Aggregate Limit of Liability**.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:

Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

### CRYPTOJACKING ENDORSEMENT

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The aggregate sublimit applicable to all loss under this endorsement is USD 250,000.
2. The Retention applicable to each incident, event, or related incidents or events, giving rise to an obligation to pay loss under this endorsement shall be USD 25,000.
3. **INSURING AGREEMENTS** is amended to include:

#### **Cryptojacking**

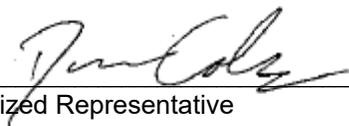
To indemnify the **Insured Organization** for any direct financial loss sustained resulting from **Cryptojacking** that the **Insured** first discovers during the **Policy Period**.

4. **DEFINITIONS** is amended to include:

**Cryptojacking** means the **Unauthorized Access or Use of Computer Systems** to mine for **Digital Currency** that directly results in additional costs incurred by the **Insured Organization** for electricity, natural gas, oil, or internet (the "**Utilities**"); provided, however, that such additional costs for the **Utilities** are:

1. incurred pursuant to a written contract between the **Insured Organization** and the respective utility provider, which was executed before the **Cryptojacking** first occurred;
2. billed to the **Insured Organization** by statements issued by the respective utility provider, which include usage or consumption information;
3. not charged to the **Insured Organization** at a flat fee that does not scale with the rate or use of the respective utility; and
4. incurred pursuant to statements issued by the respective utility provider and due for payment during the **Policy Period**.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:  
Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the  
"Underwriters"

### INVOICE MANIPULATION COVERAGE

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The aggregate sublimit applicable to all loss under this endorsement is USD 100,000.
2. The Retention applicable to each incident, event, or related incidents or events, giving rise to an obligation to pay loss under this endorsement shall be USD 25,000.
3. **INSURING AGREEMENTS** is amended to include:

#### **Invoice Manipulation**

To indemnify the **Insured Organization** for **Direct Net Loss** resulting directly from the **Insured Organization's** inability to collect **Payment** for any goods, products or services after such goods, products or services have been transferred to a third party, as a result of **Invoice Manipulation** that the **Insured** first discovers during the **Policy Period**:

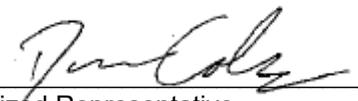
4. **DEFINITIONS** is amended to include:

**Direct Net Loss** means the direct net cost to the **Insured Organization** to provide goods, products or services to a third party. **Direct Net Loss** will not include any profit to the **Insured Organization** as a result of providing such goods, products or services.

**Invoice Manipulation** means the release or distribution of any fraudulent invoice or fraudulent payment instruction to a third party as a direct result of a **Security Breach** or a **Data Breach**.

**Payment** means currency, coins or bank notes in current use and having a face value.

All other terms and conditions of this Policy remain unchanged.

  
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Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**POST BREACH REMEDIAL SERVICES ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that, following a covered **Data Breach** or **Security Breach** involving the actual **Unauthorized Access or Use** of the **Insured Organization's Computer Systems**, the **Insured Organization** is eligible to receive **Post Breach Remedial Services**.

**Post Breach Remedial Services** means up to 100 hours per **Policy Period** of post-breach computer security consultation and remedial services to be provided by Lodestone Security ("Lodestone"). Such services will be provided at the **Insured Organization's** request as per the description of services attached to this endorsement. **Post Breach Remedial Services** will be considered **Breach Response Services**, and will be available in response to incidents in which forensic services and costs covered under parts 2. and 3. of the definition of **Breach Response Services** have been provided, subject to the applicable Retention. **Post Breach Remedial Services** will not include any costs to purchase or upgrade any hardware or software.

To access **Post Breach Remedial Services**, the **Insured Organization** must:

1. notify the Underwriters that they desire to receive such services; and
2. enter into an engagement agreement with Lodestone to receive such services,

within sixty (60) days following a determination of the actual **Unauthorized Access or Use** of the **Insured Organization's Computer Systems**.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:

Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

### REPUTATION LOSS

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Limit listed in the Declarations under **COVERAGE SCHEDULE** is amended to include:

**Reputation Loss:** USD 1,000,000

2. Retention listed in the Declarations under **COVERAGE SCHEDULE** is amended to include:

Each incident giving rise to **Reputation Loss:** USD 25,000

3. **INSURING AGREEMENTS** is amended by the addition of:

#### **Reputation Loss**

To indemnify the **Insured Organization** for **Reputation Loss** that the **Insured Organization** sustains solely as a result of an **Adverse Media Event** that occurs during the **Policy Period**, concerning:

1. a **Data Breach, Security Breach, or Extortion Threat** that the **Insured** first discovers during the **Policy Period**; or
2. if this policy is a **Renewal**, a **Data Breach, Security Breach, or Extortion Threat** that the **Insured** first discovers during the last 90 days of the prior policy period.

4. **DEFINITIONS** is amended to include:

#### **Adverse Media Event** means:

1. publication by a third party via any medium, including but not limited to television, print, radio, electronic, or digital form of previously non-public information specifically concerning a **Data Breach, Security Breach, or Extortion Threat**; or
2. notification of individuals pursuant to part 4. of the **Breach Response Services** definition.

Multiple **Adverse Media Events** arising from the same or a series of related, repeated or continuing **Data Breaches, Security Breaches, or Extortion Threats**, shall be considered a single **Adverse Media Event**, and shall be deemed to occur at the time of the first such **Adverse Media Event**.

**Claims Preparation Costs** means reasonable and necessary costs that the **Named Insured** incurs to contract with a third party to prepare a proof of loss demonstrating **Reputational Loss**.

**Protection Period** means the period beginning on the date the **Adverse Media Event** occurs, and ends after the earlier of:

1. 180 days; or
2. the date that gross revenues are restored to the level they would have been but for the **Adverse Media Event**.

**Renewal** means an insurance policy issued by the Underwriters to the **Named Insured** for the policy period immediately preceding this **Policy Period** that provides coverage for a **Data Breach, Security Breach, or Extortion Threat** otherwise covered under this Policy.

**Reputation Loss** means:

1. the net profit or loss before interest and tax that the **Insured Organization** would have earned during the **Protection Period** but for an **Adverse Media Event**; and
2. continuing normal operating expenses incurred by the **Insured Organization** (including payroll), but only to the extent that such operating expenses must necessarily continue during the **Protection Period**.

When calculating any **Reputation Loss**, due consideration will be given to any amounts made up during, or within a reasonable time after the end of, the **Protection Period**.

**Reputation Loss** will not mean and no coverage will be available under this endorsement for any of the following:

- (i) loss arising out of any liability to any third party;
- (ii) legal costs or legal expenses of any type;
- (iii) loss incurred as a result of unfavorable business conditions;
- (iv) loss of market or any other consequential loss;
- (v) **Breach Response Services**; or
- (vi) **Cyber Extortion Loss**;

There will be no coverage available under this endorsement if there is an actual interruption of the **Insured Organization's** business operations for any period of time.

5. **Limits of Liability** under **LIMIT OF LIABILITY AND COVERAGE** is amended to include:

**Reputational Loss** and **Claims Preparation Costs** covered under this Policy arising from an **Adverse Media Event** concerning any **Data Breach, Security Breach, or Extortion Threat** (including a series of related, repeated or continuing **Data Breaches, Security Breaches, or Extortion Threats**) first discovered during the last 90 days of the prior policy period, will be considered to have been noticed to the Underwriters during the prior policy period and will be subject to the **Policy Aggregate Limit of Liability** of the prior policy period. Under such circumstances, if the **Policy Aggregate Limit of Liability** of the prior policy period is exhausted due to payments made under the prior policy, the Underwriter's obligation to pay **Reputational Loss** or **Claims Preparation Costs** under this Policy shall be completely fulfilled and extinguished.

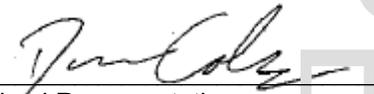
6. **Notice of Claim or Loss** under **GENERAL CONDITIONS** is amended to include:

With respect to **Reputation Loss**, the **Named Insured** must notify the Underwriters through the contacts listed for **Notice of Claim, Loss or Circumstance** in the Declarations as soon as practicable after discovery of the circumstance, incident or event giving rise to such loss.

All **Reputation Loss** must be reported, and all proofs of loss must be provided, to the Underwriters no later than four (4) months after the end of the **Protection Period**.

7. This Policy will cover up to USD 50,000 of **Claims Preparation Costs** in excess of the Retention stated in Section 2. of this endorsement.

All other terms and conditions of this Policy remain unchanged.

  
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Authorized Representative

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**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**VOLUNTARY SHUTDOWN COVERAGE**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the definition of **Security Breach** is deleted in its entirety and replaced with the following:

**Security Breach** means:

1. A failure of computer security to prevent:
  - (i) **Unauthorized Access or Use of Computer Systems**, including **Unauthorized Access or Use** resulting from the theft of a password from a **Computer System** or from any **Insured**;
  - (ii) a denial of service attack affecting **Computer Systems**;
  - (iii) with respect to coverage under the Liability insuring agreements, a denial of service attack affecting **Computer Systems** that are not owned, operated or controlled by an **Insured**; or
  - (iv) infection of **Computer Systems** by malicious code or transmission of malicious code from **Computer Systems**; or
2. Solely with respect to the **Business Interruption Loss** insuring agreement:
  - (i) the voluntary and intentional shutdown of **Computer Systems** by the **Insured Organization**, but only to the extent necessary to limit the **Loss** during an active or on-going **Unauthorized Access or Use of Computer Systems** or infection of **Computer Systems** by malicious code, as covered by 1.(i) or 1.(iv) above.
  - (ii) the intentional shutdown of **Computer Systems** by the **Insured Organization** as expressly required by any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity resulting from a situation described in 1.(i) or 1.(iv) above.

All other terms and conditions of this Policy remain unchanged.

  
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Authorized Representative

**NOTIFICATION OF THE AVAILABILITY OF LOSS CONTROL INFORMATION/SERVICES - TEXAS**

Beazley Insurance Company, Inc. is committed to providing loss control information and services to its Texas policyholders at no charge in an effort to prevent and reduce potential claims.

To obtain information or to request services, you may call:

Wayne Whiten  
**Compliance**  
1-866-623-2953

You may also request this information by writing to:

**Beazley Insurance Company, Inc.**  
**30 Batterson Park Road**  
**Farmington, Connecticut 06032**

**Attn:** Wayne Whiten  
**Compliance**

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**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the “Insurer” or the “Underwriters”**

### **STATE CONSUMER PRIVACY STATUTES ENDORSEMENT**

This endorsement modifies insurance provided under the following:

#### **BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The Policy is amended to include the following insuring agreement:

##### **State Consumer Privacy Statutes**

To pay **Penalties** and **Claims Expenses** which the **Insured** is legally obligated to pay because of any **Regulatory Proceeding** first made against any **Insured** during the **Policy Period** for a violation of the California Consumer Privacy Act or any similar state statutes or state regulations specifically governing the **Insured Organization’s** collection, use, disclosure, sale, processing, profiling, acquisition, sharing, maintenance, retention or storage of or provision of access to personal information or personal data as defined under the California Consumer Privacy Act or similar state statutes or state regulations.

2. The definition of **Claim** is amended to include institution of a **Regulatory Proceeding** against any **Insured** under the State Consumer Privacy Statutes insuring agreement for a violation of the California Consumer Privacy Act or any similar state statutes or state regulations specifically governing the **Insured Organization’s** collection, use, disclosure, sale, processing, profiling, acquisition, sharing, maintenance, retention or storage of or provision of access to personal information or personal data as defined under the California Consumer Privacy Act or similar state statutes or state regulations.
3. The **Governmental Actions** exclusion and part 1. of the **Gathering or Distribution of Information** exclusion will not apply to the State Consumer Privacy Statutes insuring agreement.
4. Solely with respect to the State Consumer Privacy Statutes insuring agreement, the **Trade Practices and Antitrust** exclusion is deleted in its entirety and replaced with the following:

##### **Trade Practices**

any actual or alleged false, deceptive or unfair trade practices or unfair competition; but this exclusion will not apply to coverage under the State Consumer Privacy Statutes insuring agreement, provided no member of the **Control Group** participated in or colluded in the activities or incidents giving rise to coverage under such insuring agreement;

##### **Antitrust**

any actual or alleged antitrust violation, restraint of trade, false, deceptive or misleading advertising or violation of the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act;

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

SPECIMEN

Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:

Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

**AMEND OTHER INSURANCE CLAUSE – PRIMARY WITH RESPECT TO BREACH RESPONSE SERVICES AND FIRST PARTY LOSS**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

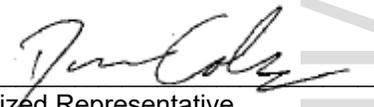
In consideration of the premium charged for the Policy, it is hereby understood and agreed that **Other Insurance** under **GENERAL CONDITIONS** is deleted in its entirety and replaced with the following:

**Other Insurance**

The insurance under this Policy shall apply in excess of any other valid and collectible insurance available to any **Insured** unless such other insurance is written only as specific excess insurance over this Policy; provided that this Policy shall be primary solely with respect to **Breach Response Services, Cyber Extortion Loss** and **Data Recovery Costs** covered under the Breach Response and First Party Loss insuring agreements.

The existence of other insurance available to an **Insured** shall not affect the Underwriters' obligations toward an **Insured** in paying **Loss** covered under this Policy nor shall it delay payment of such **Loss**.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

Effective date of this Endorsement: 01-Oct-2020

This Endorsement is attached to and forms a part of Policy Number:

Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

**RECOGNIZE EROSION OF RETENTION  
FOR ECRIME INSURING AGREEMENT**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that **RETENTIONS** is amended by the addition of the following:

Notwithstanding the foregoing, the Underwriters will recognize erosion of the Retention applicable to the eCrime insuring agreement by any payments made by or on behalf of the **Insured Organization** pursuant to such commercial crime policy issued to the **Named Insured**, but only if such payments are for **Loss** that would otherwise be covered under the eCrime insuring agreement.

All other terms and conditions of this Policy remain unchanged.

  
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Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**  
**This Endorsement is attached to and forms a part of Policy Number:**  
**Beazley Insurance Company, Inc. referred to in this endorsement as either the “Insurer” or the “Underwriters”**

**USI AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The **Optional Extension Period** and **Optional Extension Premium** listed in the Declarations under **POLICY INFORMATION** are deleted in their entirety and replaced with the following:

<b>Optional Extension Period:</b>	<b>Optional Extension Premium:</b>
12 Months	100% of the Annual Policy Premium
24 Months	125% of the Annual Policy Premium
36 Months	150% of the Annual Policy Premium
2. The Data Recovery Costs insuring agreement is deleted in its entirety and replaced with the following:

*Data Recovery Costs*

**Data Recovery Costs** that the **Insured Organization** incurs as a direct result of a **Security Breach** or **System Failure** that the **Insured** first discovers during the **Policy Period**.
3. The Data & Network Liability insuring agreement is amended to include:
  5. non-compliance with the following obligations under the EU General Data Protection Regulation (or legislation in the relevant jurisdiction implementing this Regulation):
    - (a) Article 5.1(f), also known as the Security Principle;
    - (b) Article 32, Security of Processing;
    - (c) Article 33, Communication of a Personal Data Breach to the Supervisory Authority; or
    - (d) Article 34, Communication of a Personal Data Breach to the Data Subject.
4. Part 2. of the **Breach Response Services** definition is deleted in its entirety and replaced with the following:
  2. for a computer security expert or, if necessary and in the Underwriters’ discretion, additional computer security experts, to determine the existence, cause, and scope of an actual or reasonably suspected **Data Breach**, and if such **Data Breach** is actively in progress on the **Insured Organization’s Computer Systems**, to assist in containing it;

5. The definition of **Breach Response Services** is amended with the addition of the following:
8. other costs which are approved in advance by the Underwriters in their discretion.

6. The definition of **Claim** is deleted in its entirety and replaced with the following:

**Claim** means:

1. a written demand received by any **Insured** for money or services, civil proceedings for monetary relief that is commenced by service of a complaint or similar proceeding, or institution of arbitration proceedings;
2. with respect to coverage provided under the Regulatory Defense & Penalties insuring agreement only, institution of a **Regulatory Proceeding** against any **Insured**; and
3. with respect to coverage provided under part 1. of the Data & Network Liability insuring agreement only, a demand received by any **Insured** to fulfill the **Insured Organization's** contractual obligation to provide notice of a **Data Breach** pursuant to a **Breach Notice Law**;
4. a written request or agreement to toll or waive a statute of limitations relating to a potential **Claim** described in part 1. above;

Multiple **Claims** arising from the same or a series of related, repeated or continuing acts, errors, omissions or events will be considered a single **Claim** for the purposes of this Policy. All such **Claims** will be deemed to have been made at the time of the first such **Claim**.

7. The definition of **Computer Systems** is deleted in its entirety and replaced with the following:

**Computer Systems** means computers, any software residing on such computers and any associated devices or equipment (including SCADA and other industrial or operational control systems):

1. operated by and either owned by or leased to the **Insured Organization**; or
2. with respect to coverage under the Breach Response and Liability insuring agreements, operated by a third party pursuant to written contract with the **Insured Organization** and used for the purpose of providing hosted computer application services to the **Insured Organization** for processing, maintaining, hosting or storing the **Insured Organization's** electronic data.

8. The definition of **Control Group** is deleted in its entirety and replaced with the following:

**Control Group** means any Chief Executive Officer, Chief Financial Officer, General Counsel, Chief Information Security Officer or Head of Information Technology of the **Insured Organization** and any individual in a substantially similar position.

9. Part 4. of the definition of **Damages** is deleted in its entirety and replaced with the following:

4. fine, sanctions, or penalties against the **Insured Organization**;

10. The definition of **Data** is deleted in its entirety and replaced with the following:

**Data** means any software or electronic data that exists in **Computer Systems**.

11. The definition of **Fraudulent Instruction** is deleted in its entirety and replaced with the following:

**Fraudulent Instruction** means the transfer, payment or delivery of **Money** or **Securities** by an **Insured** as a result of fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions provided by a third party, that is intended to mislead an **Insured** through the misrepresentation of a material fact which is relied upon in good faith by such **Insured**.

**Fraudulent Instruction** will not include loss arising out of:

1. any actual or alleged use of credit, debit, charge, access, convenience, customer identification or other cards;
2. any transfer involving a third party who is not a natural person **Insured**, but had authorized access to the **Insured's** authentication mechanism;
3. the processing of, or the failure to process, credit, check, debit, personal identification number debit, electronic benefit transfers or mobile payments for merchant accounts;
4. accounting or arithmetical errors or omissions, or the failure, malfunction, inadequacy or illegitimacy of any product or service;
5. any liability to any third party, or any indirect or consequential loss of any kind;
6. any legal costs or legal expenses; or
7. proving or establishing the existence of **Fraudulent Instruction**.

12. The definition of **Funds Transfer Fraud** is deleted in its entirety and replaced with the following:

**Funds Transfer Fraud** means the loss of **Money** or **Securities** contained in a **Transfer Account** at a **Financial Institution** resulting from fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions by a third party issued to a **Financial Institution** directing such institution to transfer, pay or deliver **Money** or **Securities** from any account maintained by the **Insured Organization** at such institution, without the **Insured Organization's** knowledge or consent.

**Funds Transfer Fraud** will not include any loss arising out of:

1. any actual or alleged fraudulent, dishonest or criminal act or omission by, or involving, any natural person **Insured**;
2. any indirect or consequential loss of any kind;
3. punitive, exemplary or multiplied damages of any kind or any fines, penalties or loss of any tax benefit;
4. any liability to any third party, except for direct compensatory damages arising directly from **Funds Transfer Fraud**;
5. any legal costs or legal expenses; or proving or establishing the existence of **Funds Transfer Fraud**;
6. the theft, disappearance, destruction of, unauthorized access to, or unauthorized use of confidential information, including a PIN or security code;

7. any forged, altered or fraudulent negotiable instruments, securities, documents or instructions; or
  8. any actual or alleged use of credit, debit, charge, access, convenience or other cards or the information contained on such cards.
13. Part 3. of the definition of **Insured** is deleted in its entirety and replaced with the following:
3. an employee (including a part time, temporary, leased or seasonal employee, volunteer or intern) or **Individual Contractor** of the **Insured Organization**, but only for work done while acting within the scope of his or her employment and related to the conduct of the **Insured Organization's** business;
14. The definition of **Media Liability** is amended with the addition of the following:
11. negligence regarding the content of any **Media Material**, including harm caused through any reliance or failure to rely upon such content.
15. Part 2. of the definition of **Subsidiary** is deleted in its entirety and replaced with the following:
2. which the **Named Insured** acquires Management Control after the inception date of this Policy; provided that:
    - (i) the revenues of such entity do not exceed 25% of the **Named Insured's** annual revenues; or
    - (ii) if the revenues of such entity exceed 25% of the **Named Insured's** annual revenues, then coverage under this Policy will be afforded for a period of 90 days, but only for any **Claim** that arises out of any act, error, omission, incident or event first occurring after the entity becomes so owned. Coverage beyond such 90 day period will only be available if the **Named Insured** gives the Underwriters written notice of the acquisition, obtains the written consent of Underwriters to extend coverage to the entity beyond such 90 day period and agrees to pay any additional premium required by Underwriters.
16. The **Sale or Ownership of Securities & Violation of Securities Laws** exclusion is amended with the addition of the following:
- but part 2. of this exclusion will not apply to **Loss** under the Breach Response insuring agreement or parts 1., 2. or 3. of the Data & Network Liability insuring agreement that results directly from a **Data Breach**; provided no member of the **Control Group** participated or colluded in such **Data Breach**;
17. Part 2. of the **Trading Losses, Loss of Money & Discounts** exclusion is deleted in its entirety and replaced with the following:
2. any loss, transfer or theft of monies, securities or tangible property of the **Insured** or others in the care, custody or control of the **Insured Organization**; provided that the occurrence of loss, transfer or theft of monies, securities or tangible property of others in connection with a **Loss** shall not exclude coverage under this Policy for **Loss** that does not arise out of or result from such loss, transfer or theft;
18. The first paragraph of **OPTIONAL EXTENSION PERIOD** is deleted in its entirety and replaced with the following:

Upon non-renewal or cancellation of this Policy for any reason except the non-payment of premium, the **Named Insured** will have the right to purchase, for additional premium in the amount of the Optional Extension Premium percentage listed in the Declarations of the full Policy Premium listed in the Declarations, an Optional Extension Period for the period of time listed in the Declarations. Coverage provided by such Optional Extension Period will only apply to **Claims** first made against any **Insured** during the Optional Extension Period and reported to the Underwriters during the Optional Extension Period, and arising out of any act, error or omission committed before the end of the **Policy Period**. In order for the **Named Insured** to invoke the Optional Extension Period option, the payment of the additional premium for the Optional Extension Period must be paid to the Underwriters within 90 days of the termination of this Policy.

19. **Notice of Claim or Loss** under **GENERAL CONDITIONS** is deleted in its entirety and replaced with the following:

#### **Notice of Claim or Loss**

The **Insured** must notify the Underwriters of any **Claim** as soon as practicable, upon knowledge of the **Control Group**, but in no event later than: (i) 90 days after the end of the **Policy Period**; or (ii) the end of the Optional Extension Period (if applicable). Notice must be provided through the contacts listed for Notice of Claim, Loss or Circumstance in the Declarations.

With respect to **Breach Response Services**, the **Insured** must notify the Underwriters of any actual or reasonably suspected **Data Breach** or **Security Breach** as soon as practicable after discovery by the **Control Group**, but in no event later than 90 days after the end of the **Policy Period**. Notice must be provided to the **Breach Response Services Team** listed in the Declarations. Notice of an actual or reasonably suspected **Data Breach** or **Security Breach** in conformance with this paragraph will also constitute notice of a circumstance that could reasonably be the basis for a **Claim**.

With respect to **Cyber Extortion Loss**, the **Named Insured** must notify the Underwriters via the email address listed in the Notice of Claim, Loss or Circumstance in the Declarations as soon as practicable after discovery of an **Extortion Threat** but no later than 90 days after the end of the **Policy Period**. The **Named Insured** must obtain the Underwriters' consent prior to incurring **Cyber Extortion Loss**.

With respect to **Data Recovery Costs, Business Interruption Loss** and **Dependent Business Loss** the **Named Insured** must notify the Underwriters through the contacts for Notice of Claim, Loss or Circumstance in the Declarations as soon as practicable after discovery by the **Control Group** of the circumstance, incident or event giving rise to such loss. The **Named Insured** will provide the Underwriters a proof of **Data Recovery Costs, Business Interruption Loss** and **Dependent Business Loss**, and this Policy will cover the reasonable and necessary costs, not to exceed USD 50,000, that the **Named Insured** incurs to contract with a third party to prepare such proof. All loss described in this paragraph must be reported, and all proofs of loss must be provided, to the Underwriters no later than 6 months after the end of the **Policy Period**.

The **Named Insured** must notify the Underwriters of any loss covered under the eCrime insuring agreement as soon as practicable, upon knowledge of the **Control Group**, but in no event later than 90 days after the end of the **Policy Period**. Notice must be provided through the contacts listed for **Notice of Claim, Loss or Circumstance** in the Declarations.

Any **Claim** arising out of a **Loss** that is covered under the Breach Response, First Party Loss or eCrime insuring agreements and that is reported to the Underwriters in

conformance with the foregoing will be considered to have been made during the **Policy Period**.

20. **Notice of Circumstance** under **GENERAL CONDITIONS** is amended by the addition of following:

Notwithstanding anything under **Notice of Circumstance** to the contrary, if any law enforcement authority expressly prevents the **Insured** from disclosing to the Underwriters specific information concerning an incident (or reasonably suspected incident) described in paragraphs 1. and 2. of the Data & Network Liability insuring agreement, the notice obligations under **Notice of Circumstance** shall be waived, provided the **Insured**:

1. requests permission to share information regarding such incident or reasonably suspected incident with the Underwriters as soon as practicable after receiving such direction from law enforcement authority and is prevented from doing so;
2. withholds only that portion of information it has been restricted from disclosing to the Underwriters, meaning further that the **Insured** shall notify the Underwriters of an incident or reasonably suspected incident even if any information relating to such notice is unable to be shared with the Underwriters; and
3. the **Insured** provides notice as required under **Notice of Circumstance** as soon as legally possible after law enforcement authority permits.

In all instances, the **Insured** must provide notice no later than one hundred-eighty (180) days after the **Policy Period**, and unless such incident or suspected incident is reported in accordance with the obligations under **Notice of Circumstance**, there shall be no coverage in connection with such incident or suspected incident.

21. Part 2. of **Settlement of Claims** under **GENERAL CONDITIONS** is deleted in its entirety and replaced with the following:

2. seventy percent (70%) of any **Claims Expenses** incurred after the date such or compromise was recommended to the **Insured** plus seventy percent (70%) of any **Damages, Penalties and PCI Fines, Expenses and Costs** above the amount for which the **Claim** could have been settled;

22. The second paragraph of **Cancellation** under **GENERAL CONDITIONS** is deleted in its entirety and replaced with the following:

This Policy may be canceled by the Underwriters by mailing to the **Named Insured** at the address listed in the Declarations written notice stating when such cancellation will be effective. Such date of cancellation will not be less than 90 days (or 10 days for cancellation due to non-payment of premium) after the date of notice.

23. **Other Insurance** under **GENERAL CONDITIONS** is deleted in its entirety and replaced with the following:

#### **Other Insurance**

The insurance under this Policy will apply in excess of any other valid and collectible insurance available to any **Insured** unless such other insurance is written only as specific excess insurance over this Policy. Provided, however, this Policy will become primary and non-contributory insurance as respects any insurance maintained by an **Additional Insured** if primary insurance is required by a contract in place between the **Additional Insured** and the **Insured Organization**, but only with respect to a **Claim** or **Loss** arising solely from the **Insured Organization's**

negligent acts, errors or omissions while performing services for, or on behalf of, an **Additional Insured**.

24. **Representations by the Insured** under **GENERAL CONDITIONS** is deleted and replaced with the following:

**Representations by the Insured**

All **Insureds** agree that the statements contained the information and materials provided to the Underwriters in connection with the underwriting and issuance of this Policy are true, accurate and are not misleading, and that the Underwriters issued this Policy, and assume the risks hereunder, in reliance upon the truth thereof; provided, that (i) the knowledge of any natural person **Insured** shall not be imputed to any other natural person **Insured**, and (ii) only the knowledge of **Control Group** shall be imputed to the **Insured Organization**.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"**

**AMEND DEFINITION OF COMPUTER SYSTEMS**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the definition of **Computer Systems** is deleted in its entirety and replaced by the following:

**Computer Systems** means computers, any software residing on such computers and any associated devices or equipment, including but not limited to wireless or mobile devices, data storage devices, networking equipment, and back up facilities:

1. operated by and either owned by or leased to the **Insured Organization**; or
2. with respect to coverage under the Breach Response and Liability insuring agreements:
  - a. operated by a third party pursuant to written contract with the **Insured Organization** and used for the purpose of providing hosted computer application services to the **Insured Organization** or for processing, maintaining, hosting or storing the **Insured Organization's** electronic data; or
  - b. operated by a director, officer, principal, partner, or employee of the **Insured Organization** in accordance with the terms and conditions of the **Insured Organization's** BYOD ("Bring Your Own Device") policy, provided such policy is in force at the time of any actual or reasonably suspected **Data Breach** or **Security Breach**.

All other terms and conditions of this Policy remain unchanged.

  
Authorized Representative

**Effective date of this Endorsement: 01-Oct-2020**

**This Endorsement is attached to and forms a part of Policy Number:**

**Beazley Insurance Company, Inc. referred to in this endorsement as either the “Insurer” or the “Underwriters”**

**EMPLOYEE DEVICE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BEAZLEY BREACH RESPONSE**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the definition of **Computer Systems** is amended to include computers, any software residing on such computers and any associated devices or equipment (including but not limited to wireless or mobile devices), operated by any person listed in parts 2., 3. or 4. of the **Insured** definition, but only for work done while acting within the scope of his or her employment and related to the conduct of the **Insured Organization’s** business.

All other terms and conditions of this Policy remain unchanged.

  
\_\_\_\_\_  
Authorized Representative

PECIMEN

# COMMERCIAL EXCESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the "controlling underlying insurance".

Other words and phrases that appear in quotation marks in this Coverage Part have special meaning. Refer to Section IV – Definitions. Other words and phrases that are not defined under this Coverage Part but defined in the "controlling underlying insurance" will have the meaning described in the policy of "controlling underlying insurance".

The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "controlling underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided under this Coverage Part will not be broader than that provided by the applicable "controlling underlying insurance".

There may be more than one "controlling underlying insurance" listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Part. In such a case, the provisions, exclusions and limitations of the "controlling underlying insurance" applicable to the particular "event" for which a claim is made or suit is brought will apply.

## SECTION I – COVERAGES

### 1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "injury or damage" to which insurance provided under this Coverage Part applies.

We will have the right and duty to defend the insured against any suit seeking damages for such "injury or damage" when the applicable limits of "controlling underlying insurance" have been exhausted in accordance with the provisions of such "controlling underlying insurance".

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for "injury or damage".

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any "event" that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

- (1) The amount we will pay for "ultimate net loss" is limited as described in Section II – Limits Of Insurance; and
  - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part. However, if the policy of "controlling underlying insurance" specifies that limits are reduced by defense expenses, our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of defense expenses, judgments or settlements under this Coverage Part.
- b. This insurance applies to "injury or damage" that is subject to an applicable "retained limit". If any other limit, such as, a sublimit, is specified in the "controlling underlying insurance", this insurance does not apply to "injury or damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "controlling underlying insurance".
  - c. If the "controlling underlying insurance" requires, for a particular claim, that the "injury or damage" occur during its policy period in order for that coverage to apply, then this insurance will only apply to that "injury or damage" if it occurs during the policy period of this Coverage Part. If the "controlling underlying insurance" requires that the "event" causing the particular "injury or damage" takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" takes place during the policy period of this Coverage Part.

d. Any additional insured under any policy of "controlling underlying insurance" will automatically be an additional insured under this insurance. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any "controlling underlying insurance".

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "controlling underlying insurance".

## 2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Part. In addition, the exclusions applicable to any "controlling underlying insurance" apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Part.

Insurance provided under this Coverage Part does not apply to:

### a. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable "controlling underlying insurance".

### b. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

- (1) First-party physical damage coverage;
- (2) No-fault coverage;
- (3) Personal injury protection or auto medical payments coverage; or
- (4) Uninsured or underinsured motorists coverage.

### c. Pollution

- (1) "Injury or damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.
- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants.

This exclusion does not apply to the extent that valid "controlling underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "injury or damage".

### d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

## SECTION II – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or suits brought, or number of vehicles involved;
  - c. Persons or organizations making claims or bringing suits; or
  - d. Limits available under any "controlling underlying insurance".
2. The Limits of Insurance of this Coverage Part will apply as follows:
  - a. This insurance only applies in excess of the "retained limit".
  - b. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss", for all "injury or damage" covered under this Coverage Part. However, this Aggregate Limit only applies to "injury or damage" that is subject to an aggregate limit of insurance under the "controlling underlying insurance".
  - c. Subject to Paragraph 2.b. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under this insurance because of all "injury or damage" arising out of any one "event".
  - d. If the Limits of Insurance of the "controlling underlying insurance" are reduced by defense expenses by the terms of that policy, any payments for defense expenses we make will reduce our applicable Limits of Insurance in the same manner.

3. If any "controlling underlying insurance" has a policy period that is different from the policy period of this Coverage Part then, for the purposes of this insurance, the "retained limit" will only be reduced or exhausted by payments made for "injury or damage" covered under this insurance.

The Aggregate Limit of this Coverage Part applies separately to each consecutive annual period of this Coverage Part and to any remaining period of this Coverage Part of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### **SECTION III – CONDITIONS**

The following conditions apply. In addition, the conditions applicable to any "controlling underlying insurance" are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

#### **1. Appeals**

If the "controlling underlying insurer" or insured elects not to appeal a judgment in excess of the amount of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section II – Limits Of Insurance.

#### **2. Bankruptcy**

##### **a. Bankruptcy Of Insured**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **b. Bankruptcy Of Controlling Underlying Insurer**

Bankruptcy or insolvency of the "controlling underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, insurance provided under this Coverage Part will not replace any "controlling underlying insurance" in the event of bankruptcy or insolvency of the "controlling underlying insurer". The insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect and recoverable.

#### **3. Duties In The Event Of An Event, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "event", regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:

- (1) How, when and where the "event" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any "injury or damage" arising out of the "event".

- b. If a claim is made or suit is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or suit and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or suit as soon as practicable.

- c. You and any other insured involved must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury or damage" to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

#### **4. First Named Insured Duties**

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any "controlling underlying insurance" and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Part.

## 5. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

## 6. Changes

This Coverage Part contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Part with our consent. This Coverage Part's terms can be amended or waived only by endorsement.

## 7. Maintenance Of/Changes To Controlling Underlying Insurance

Any "controlling underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such "controlling underlying insurance" that results from "injury or damage" to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "controlling underlying insurance". Failure to maintain "controlling underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect.

The first Named Insured must notify us in writing, as soon as practicable, if any "controlling underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "controlling underlying insurance" is changed.

## 8. Other Insurance

- a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:
  - (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and
  - (2) The total of all deductible and self-insured amounts under all that other insurance.

## 9. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. If this policy is auditable, the premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

## 10. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

- a. The insured or insured's "controlling underlying insurer" has become obligated to pay the "retained limit"; and
- b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant, "controlling underlying insurer" (or a representative of one or more of these) and us.

## 11. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, "controlling underlying insurer" and the claimant or the claimant's legal representative.

## 12. Transfer Of Defense

### a. Defense Transferred To Us

When the limits of "controlling underlying insurance" have been exhausted, in accordance with the provisions of "controlling underlying insurance", we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

### b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Part of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Part, we will cooperate in the transfer of control to the insured and its designated representative.

## 13. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION IV – DEFINITIONS

The definitions applicable to any "controlling underlying insurance" also apply to this insurance. In addition, the following definitions apply.

1. "Controlling underlying insurance" means any policy of insurance or self-insurance listed in the Declarations under the Schedule of "controlling underlying insurance".
2. "Controlling underlying insurer" means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of "controlling underlying insurance".
3. "Event" means an occurrence, offense, accident, act, or other event, to which the applicable "controlling underlying insurance" applies.
4. "Injury or damage" means any injury or damage, covered in the applicable "controlling underlying insurance" arising from an "event".
5. "Retained limit" means the available limits of "controlling underlying insurance" applicable to the claim.
6. "Ultimate net loss" means the total sum, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
  - a. Settlements, judgments, binding arbitration; or
  - b. Other binding alternate dispute resolution proceeding entered into with our consent.

"Ultimate net loss" includes defense expenses if the "controlling underlying insurance" specifies that limits are reduced by defense expenses.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – ABUSE OR MOLESTATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.  
**Exclusions of Section I – Coverages:**

**2. Exclusions**

Insurance provided under this Coverage Part does not apply to "injury or damage" arising out of:

- a. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured; or
- b. The negligent:
  - (1) Employment;

- (2) Investigation;
- (3) Supervision;
- (4) Reporting to the proper authorities, or failure to so report; or
- (5) Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph a. above.

## PROPOSAL FORM FOR MECHANICAL BREAKDOWN (COMPREHENSIVE BOILER & MACHINERY)

1. Proposed Insurer American Guarantee & Liability Insurance Company (Zurich)
2. Annual Premium: Included in Property Premium

Limits	Deductibles		
	\$50,000	\$100,000	Other
Direct Damage & BI/EE All Scheduled Losses— \$100,000,000			\$10,000 ded.
Expediting Expense— \$250,000 \$500,000			
Hazardous Substance Water Damage Ammonia Contamination \$250,000			
Spoilage \$250,000			

Are premiums quoted net of commission(s) or any other fee(s)?  
\_\_\_\_\_ Yes \_\_\_\_\_X\_\_\_\_\_ No

3. Indicate if the following coverage extensions are included and additional premium, if any:
  - a. Broad definition of accident  
\_\_\_\_\_X\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_Included\_\_\_\_\_ Premium
  - b. Repair or replacement valuation.  
\_\_\_\_\_X\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_Included\_\_\_\_\_ Premium
  - c. Joint Loss Agreement, if Boiler & Machinery carrier is different from Property carrier.  
\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_ Premium
  - d. Waiver of any coinsurance provision.  
\_\_\_\_\_X\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_Included\_\_\_\_\_ Premium
  - e. Coverage for service interruption and extra expense.  
\_\_\_\_\_X\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_Included\_\_\_\_\_ Premium
  - f. Coverage for the electronic component of an "insured object."  
\_\_\_\_\_X\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_Included\_\_\_\_\_ Premium

4. Is policy written subject to a blanket direct damage and time element limit?  Yes  No
- Subject to a combined per-occurrence deductible?  Yes  No
- Explain. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
5. Describe automatic coverage and reporting provisions for new locations or newly acquired objects.  
90 days period not to exceed \$5,000,000  
 \_\_\_\_\_  
 \_\_\_\_\_
6. Indicate if premium is flat or auditable and composite rate. \_\_\_\_\_  
Additions and deletions will be charged/credited as needed  
 \_\_\_\_\_
7. Indicate method of premium payment (monthly, quarterly, annually, etc.)  
Annual  
 \_\_\_\_\_
8. Indicate the term of the coverage. One Year  
 If more than one year, are rates fixed?  Yes  No
9. Is your quote contingent on writing any other line(s)?  Yes  No  
 If so, what line(s)? Property  
 \_\_\_\_\_  
 \_\_\_\_\_
10. Are specimen policy forms and endorsements included?  Yes  No

Robert S. Bookhammer  
 Authorized Signature

USI Southwest, Inc.  
 Company

7/15/2020  
 Date

## EXCEPTION FORM FOR COMPREHENSIVE BOILER & MACHINERY

***Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.***

Business Interruption is included for the County Jail at \$4,480,000 and Water Plant for \$20,000 as expiring.

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/15/2020  
Date

**Policy Number**

<POLSYM> <POLNBR> - <POLMID>

**Named Insured and Mailing Address**

<INSDNM>  
<INSDADDR1>  
<INSDADDR2>  
<INSDCSZ>

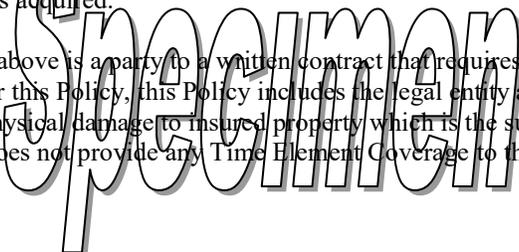
hereafter referred to as the **First Named Insured**.

The following are all hereafter referred to as the "Insured", including legal representatives.

The **First Named Insured**; and

any subsidiary of the **First Named Insured**. The **First Named Insured**'s interest in any partnership, joint venture or other legal entity in which the **First Named Insured** has management control or ownership as now constituted or hereafter is acquired.

When any Insured described above is a party to a written contract that requires a legal entity to be identified as an additional insured under this Policy, this Policy includes the legal entity as an additional insured, as its interest may appear, for physical damage to insured property which is the subject of the written contract before any loss occurs; and does not provide any Time Element Coverage to the legal entity.



**Producer**

<PRDRNM>  
<PRDRADDR1>  
<PRDRADD2>  
<PRDRCSZ>

**Policy Period**

Begins <EFFDT> at 12:01 AM; Ends <EXPIDT> at 12:01 AM.

**Insurance is provided by the following Stock Company**

< list applicable company>  
hereafter referred to as the "Company",

**Proportionate Share of Company for Loss or Damage**

This Policy's proportionate share of loss or damage after the application of any deductible amount is:

- 00.00% Quota Share: Being \$ 000,000,000 part of a \$ 000,000,000 primary loss layer (and/or)
- 00.00% Quota Share: Being \$000,000,000 part of a \$000,000,000 loss layer excess of a \$000,000,000 primary loss layer.

Annual Policy Premium  
<polprem>

Surcharges, Taxes & Fees  
<SurchFeeAmt>

Total Policy Premium  
<TotalPrem>

PREMIUM PAYABLE

This Policy is issued in consideration of an initial premium. The **First Named Insured** shown on the Policy is responsible for the payment of all premiums and will be the payee for any return premiums paid by the Company. Premiums will be paid in the currency designated in Section II-2.02.

Specimen

## SECTION I – POLICY APPLICABILITY

### 1.01. INSURING AGREEMENT

This Policy Insures against direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property, at an Insured Location described in Section II-2.01, all subject to the terms, conditions and exclusions stated in this Policy.

No coverage can be provided in violation of any U.S. economic or trade sanctions laws or regulations. Such coverage, which may be in violation of any U.S. economic or trade sanctions laws and regulations, shall be null and void and the Company shall not be liable to make any payments or provide any defense under this policy.

### 1.02. APPLICATION OF POLICY PERIOD

In the event of a claim the Policy Period is measured by local time at the location where the direct physical loss or damage occurs.

### 1.03. TERRITORY

Coverage under this Policy applies to all covered loss or damage that takes place in the United States of America, its territories and possessions, including the District of Columbia and the Commonwealth of Puerto Rico.

## SECTION II - DECLARATIONS

### 2.01 INSURED LOCATION

This Policy insures an Insured Location unless otherwise provided.

An Insured Location is a **Location**:

- 2.01.01. Scheduled on this Policy by a Schedule of Locations attached to this Policy;
- 2.01.02. Listed on a Schedule of Locations on file with Company;
- 2.01.03. Covered as a Miscellaneous Unnamed Location; and
- 2.01.04. Covered under the terms and conditions of the Newly Acquired Coverage or Errors and Omissions Coverage.

### 2.02. CURRENCY

All amounts, including deductibles and limits of liability, indicated in this Policy are in USD unless otherwise indicated by the three-letter currency designator as defined in Table A.1 Currency and Funds code list, International Standards Organization (ISO) 4217, edition effective at inception of this Policy.

### 2.03. POLICY LIMITS OF LIABILITY

The Policy Limit is \$<POLLIMAMT> for the total of all coverages combined regardless of the number of **Locations** involved subject to the following provisions:

- 2.03.01. The Company will pay no more in any one (1) **Occurrence** than its proportionate share of the Policy Limit.
- 2.03.02. Limits of Liability stated below or elsewhere in this Policy are part of and not in addition to the Policy Limit.
- 2.03.03. When an **Annual Aggregate** Limit of Liability is shown, the Company's maximum amount payable will not exceed such Limit of Liability during the **Policy Year** regardless of the number of **Locations**, Coverages or **Occurrences** involved.
- 2.03.04. The most the Company will pay in an **Occurrence** caused by a **Described Cause of Loss** is the Limit of Liability for that **Described Cause of Loss**.
- 2.03.05. Limits of Liability in an **Occurrence** apply to the total loss or damage, including any insured Time Element loss, at all **Locations** and for all Coverages involved, subject to the following provisions:
  - 2.03.05.01. The Company will pay no more in any one (1) **Occurrence** than its proportionate share of the applicable Location Limit when a Location Limit is specified, except as provided below for loss or damage at a **Location** listed on the Schedule of Locations-Description of Location and Location Limit.

- 2.03.05.02. When Special Coverages are provided, the Special Coverage limits are in addition to the specified Location Limits; and
- 2.03.05.03. The most the Company will pay at a **Location** is the lesser of:
- 2.03.05.03.01. The specified Location Limit plus any applicable Special Coverage limit(s);
- 2.03.05.03.02. The **Described Causes of Loss** Limit at that specific **Location**; or
- 2.03.05.03.03. The **Described Causes of Loss** Limit.
- 2.03.05.01. The Company will pay no more in any one (1) **Occurrence** than its proportionate share of the applicable Location Limit when a Location Limit is specified, except as provided below for loss or damage at a **Location** listed on the Schedule of Locations-Description of Location and Location Limit.
- 2.03.05.02. The most the Company will pay at a **Location** is the lesser of:
- 2.03.05.02.01. The specified Location Limit;
- 2.03.05.02.02. The **Described Causes of Loss** Limit at that specific **Location**; or
- 2.03.05.02.03. The **Described Causes of Loss** Limit.
- 2.03.06. Limits of Liability

The following are the Limits of Liability in an **Occurrence** unless otherwise shown. The Company will pay no more in any one (1) **Occurrence** than its proportionate share.

Limits of Liability and Coverage Part	
\$0.00	<Schedule of Locations – Description of Location and <Location Limit> <PD & TE>>
\$0.00	TIME ELEMENT <but not to exceed the following limits:> <per Loc.> \$0.00 GROSS EARNINGS \$0.00 EXTRA EXPENSE \$0.00 LEASEHOLD INTEREST
\$0.00	ACCOUNTS RECEIVABLE
\$0.00	COMPUTER SYSTEMS DAMAGE in the <b>Annual Aggregate</b> but not to exceed the following limits: \$0.00 Property Damage, \$0.00 Time Element <Combined><in the <b>Annual Aggregate</b> >
\$0.00	CONTINGENT TIME ELEMENT but not to exceed a \$0.00 limit per <b>Direct Dependent Time Element Location</b> scheduled with the Company; \$0.00 limit per <b>Direct Dependent Time Element Location</b> unscheduled.
\$0.00	CONTINGENT TIME ELEMENT but not to exceed a \$0.00 limit per <b>Indirect Dependent Time Element Location</b> .
\$0.00	CONTINGENT TIME ELEMENT but not to exceed a \$0.00 limit per <b>ATTRACTION PROPERTY</b>
\$0.00	DEBRIS REMOVAL
\$0.00	DECONTAMINATION COSTS

\$0.00	DEFERRED PAYMENTS
	ERRORS AND OMMISIONS
\$0.00	EXPEDITING COSTS
\$0.00	<b>FINE ARTS</b> but not to exceed a \$0.00 limit per item.
\$0.00	FIRE DEPARTMENT SERVICE CHARGE
\$0.00	INCREASED COST OF CONSTRUCTION
\$0.00	LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL in the <b>Annual Aggregate</b> .
\$0.00	LAND IMPROVEMENTS
\$0.00	MISCELLANEOUS PERSONAL PROPERTY
\$0.00	MISCELLANEOUS UNNAMED LOCATION: but not to exceed a \$0.00 limit per Location
\$0.00	OFF PREMISES SERVICE INTERRUPTION but not to exceed: \$0.00 PROPERTY DAMAGE, \$0.00 TIME ELEMENT <COMBINED>
\$0.00	PROFESSIONAL FEES: Plus 50% of the amount Recoverable under this Coverage in excess of \$0.00 up to \$0.00
\$0.00	RADIOACTIVE CONTAMINATION
\$0.00	RESEARCH ANIMALS in excess of \$0.00
	TENANTS PROHIBITED ACCESS
\$0.00	TRANSIT but not to exceed: \$0.00 PROPERTY DAMAGE, \$0.00 TIME ELEMENT <COMBINED>
\$0.00	VALUABLE PAPERS AND RECORDS
\$0.00	NEW CONSTRUCTION AND ADDITIONS
	OFF PREMISES STORAGE FOR PROPERTY UNDER CONSTRUCTION
\$0.00	BREAKDOWN OF EQUIPMENT not to exceed: \$0.00 for AMMONIA CONTAMINATION \$0.00 for SPOILAGE
\$0.00	<b>EARTH MOVEMENT</b> <in the <b>Annual Aggregate</b> > but not to exceed the following limits in the < <b>Annual Aggregate</b> > a). \$0.00 for specific <b>Locations</b> <must be listed> a). \$0.00 for property located in Zone 1 for Earth Movement as defined in Appendix A & B. Not to exceed \$0.00 for <locations listed> b). \$0.00 for property located in Zone 2 for Earth Movement as defined in Appendix A & B. Not to exceed \$0.00 for <locations listed> c). Not subject to a). and b). \$0.00 for specific locations (must be listed)>
\$0.00	<b>FLOOD</b> < in the <b>Annual Aggregate</b> > but not to exceed the following limits <in the <b>Annual Aggregate</b> >  a). \$0.00 for specific locations <must be listed> a). \$0.00 As respects Locations with any part of the legal description within a <b>Special Flood Hazard Area (SFHA)</b> . Not to exceed \$0.00 for <locations listed in the <b>Annual Aggregate</b> > b). \$0.00 As respects Locations with any part of the legal description within a <b>Moderate Flood Hazard Area</b> . Not to exceed \$0.00 for <locations listed in the <b>Annual Aggregate</b> > c). Not subject to a). and b). \$0.00 for specific locations (must be listed)>
\$0.00	<b>NAMED STORM</b> < in the <b>Annual Aggregate</b> > but not to

	<p>exceed the following limits&lt; in the <b>Annual Aggregate</b>:&gt;</p> <p>a). \$0.00 for specific locations &lt;must be listed&gt;</p> <p>a). \$0.00 for property located in Zone 1 as defined in Appendix C &amp; D. Not to exceed \$0.00 for &lt;locations listed&gt;</p> <p>b). \$0.00 for property located in Zone 2 as defined in Appendix C &amp; D. Not to exceed \$0.00 for &lt;locations listed&gt;</p> <p>c). Not subject to a). and b). \$0.00 for specific locations (must be listed)&gt;</p>
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2.03.08. Causation Definition: The following term is included in the definition of the Peril as indicated:

<b>Storm Surge</b> is part of <Named Storm><Flood>
--

2.03.09. Time and Distance Limitations: In addition to the Limits of Liability shown elsewhere in this Policy, the following limitations apply:

Located within 1 mile of the Insured Location	<b>ATTRACTION PROPERTY</b>
30 day period for property within 1 mile but not to exceed a \$0.00 limit.	CIVIL OR MILITARY AUTHORITY
60 days	The actual Time Element loss sustained by the Insured arising out of the <b>Delay in Completion</b>
12 months	<b>GROSS EARNINGS</b>
180 days	<b>EXTENDED PERIOD OF LIABILITY</b>
90 Days but not to exceed a \$0.00 limit.	<b>ORDINARY PAYROLL</b>
30 day period but not to exceed a \$0.00 limit.	<b>IMPOUNDED WATER</b>
30 day period for property within 1 mile but not to exceed a \$0.00 limit.	<b>INGRESS/EGRESS</b>
30 day period but not to exceed a \$0.00 limit.	<b>INTERNATIONAL INTERDEPENDENCY</b>
90 day period but not to exceed a limit per <b>Location</b> .	<b>NEWLY ACQUIRED</b>
48 hours for Gross Earnings or Gross Profit: not to exceed a \$0.00 limit.	<b>PROTECTION AND PRESERVATION OF PROPERTY</b>
12 mo. but not to exceed a \$0.00 limit.	<b>RESEARCH AND DEVELOPMENT</b>

2.03.10. Time Specifications: As follows:

<b>EARTH MOVEMENT Occurrence</b>	168 hours
<b>NAMED STORM Occurrence</b>	72 hours
Cancellation for nonpayment of premium	10 days
Cancellation for any other reason	45 days

2.03.11. Valuation: As follows:

<b>Finished Stock</b>	<b>Selling Price</b>
<b>Merchandise</b> that carries the Insured's brand or trade name	<b>Selling Price</b> <Replacement Cost>
All other <b>Merchandise</b>	<b>Selling Price</b> <Replacement Cost>
Vehicles	Actual Cash Value

## 2.04. QUALIFYING PERIOD

For the Coverages listed below the following **Qualifying Period** applies:

OFF PREMISES SERVICE INTERRUPTION PROPERTY DAMAGE & TIME ELEMENT COVERAGE	<>
COMPUTER SYSTEMS DAMAGE COVERAGE	<>
TENANTS PROHIBITED ACCESS COVERAGE	<>
NEW CONSTRUCTION AND ADDITIONS: <b>Delay in Completion</b>	<>

## 2.05. DEDUCTIBLES

Each claim for loss or damage as insured against arising out of any one (1) **Occurrence** shall be adjusted separately. The Company shall not be liable unless the Insured sustains loss or damage in excess of the deductible(s) stated below and then only for the proportionate share of such excess amount(s).

- 2.05.01. A deductible that applies on a per **Location** basis will apply separately to each **Location** where the physical loss or damage occurred regardless of the number of **Locations** involved in the **Occurrence**.
- 2.05.02. Unless stated otherwise, if two or more deductibles apply to an **Occurrence**, the total deducted will not exceed the largest applicable deductible. If two or more deductibles apply on a per **Location** basis in an **Occurrence**, the largest deductible applying to each **Location** will be applied separately to each such Location.
- 2.05.03. If separate Property Damage and Time Element loss deductibles are shown, then the deductibles shall apply separately.
- 2.05.04. When a "minimum deductible" per **Occurrence** is shown and is applicable to an **Occurrence**, the "minimum deductible" is the minimum dollar amount of covered damage that the Insured will retain in any one (1) **Occurrence**. The amount retained for purposes of applying the "minimum deductible" is the sum of:
- 2.05.04.01. the specified location deductible for each location where the amount of covered damage exceeds the specified location deductible; and
- 2.05.04.02. the amount of covered damage for each location where the amount of covered damage is less than specified location deductible.
- 2.05.05. Policy Deductible(s)
- 2.05.05.01. \$0.00 combined coverages
- 2.05.05.01. \$0.00 Property Damage(PD) & \$0.00 Time Element (TE)
- 2.05.05.01. \$0.00 Property Damage(PD) & X times **ADV** Time Element (TE)

- 2.05.05.01. \$0.00 Property Damage(PD) & X times **DV** Time Element(TE)
- 2.05.05.01. \$0.00 Property Damage(PD) & Days Time Element(TE)
- 2.05.05.01. \$0.00 Property Damage(PD) & Hours Time Element(TE)
- 2.05.05.01. <Insert wording.>

per **Occurrence** except as follows:

- 2.05.05.02. Exceptions to Policy Deductible(s)

- 2.05.05.02.01. Contingent Time Element

\$0.00 per Location at each **Direct Dependent Time Element Location**, **Indirect Dependent Time Element Location**, and **Attraction Property** where the physical loss or damage occurs regardless of any other deductibles that may also apply.

However, when the loss results from Earthquake, **Named Storm** and/or **Flood** such loss shall be subject to its respective deductible(s) for **Direct Dependent Time Element Location** as follows: < Insert wording.>

- 2.05.05.02.02. Earthquake

The following deductibles apply to loss or damage caused by or resulting from earthquake. This earthquake deductible will apply regardless of any other deductibles that may also apply.

- 2.05.05.02.02.01. \$0.00 combined coverages
- 2.05.05.02.02.01. \$0.00 Property Damage(PD) & \$0.00 Time Element (TE)
- 2.05.05.02.02.01. \$0.00 Property Damage(PD) & X times **ADV** Time Element (TE)
- 2.05.05.02.02.01. \$0.00 Property Damage(PD) & X times **DV** Time Element(TE)
- 2.05.05.02.02.01. \$0.00 Property Damage(PD) & Days Time Element(TE)
- 2.05.05.02.02.01. \$0.00 Property Damage(PD) & Hours Time Element(TE)
- 2.05.05.02.02.01. <Insert wording.>

per **Occurrence** except as follows:

- 2.05.05.02.02.02. As respects **Locations** in Zone 1:

- 2.05.05.02.02.02.01. Property Damage -\$0.00 or % of the value per the <most current Statement of Values <on file with the company>> < Valuation clause of the General Conditions section, of the property insured> as of the date of loss, for the **Location** where the direct physical loss or damage occurred, per **Location**.

- 2.05.05.02.02.02.02. Time Element - \$0.00 or % of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the **Occurrence** by use of the facilities at the **Location** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues, per **Location**.

<The value of 2.05.05.02.02.02.01. & 2.05.05.02.02.02.02.combined.>

2.05.05.02.02.02.03. The above earthquake deductibles are subject to a minimum deductible of<\$0.00 for Property Damage and \$0.00 Time Element> < \$0.00 combined> < per Location><per Occurrence>>.

2.05.05.02.02.03. As respects **Locations** in Zone 2:

2.05.05.02.02.03.01. Property Damage -\$0.00 or % of the value per the <most current Statement of Values <on file with the company>> < Valuation clause of the General Conditions section, of the property insured> as of the date of loss, for the **Location** where the direct physical loss or damage occurred, per **Location**.

2.05.05.02.02.03.02. Time Element - \$0.00 or % of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the **Occurrence** by use of the facilities at the **Location** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues, per **Location**.

<The value of 2.05.05.02.02.03.01. & 2.05.05.02.02.03.02. combined.>

2.05.05.02.02.03.03. The above earthquake deductibles are subject to a minimum deductible of<\$0.00 for Property Damage and \$0.00 Time Element> < \$0.00 combined> < per Location><per Occurrence>>.

2.05.05.02.03. **Flood**

The following deductibles apply to loss or damage caused by or resulting from **Flood**. This **Flood** deductible will apply regardless of any other deductibles that may also apply.

2.05.05.02.03.01. \$0.00 combined coverages  
2.05.05.02.03.01. \$0.00 Property Damage(PD) & \$0.00 Time Element (TE)  
2.05.05.02.03.01. \$0.00 Property Damage(PD) & X times **ADV** Time Element (TE)  
2.05.05.02.03.01. \$0.00 Property Damage(PD) & X times **DV** Time Element(TE)  
2.05.05.02.03.01. \$0.00 Property Damage(PD) & Days Time Element(TE)  
2.05.05.02.03.01. \$0.00 Property Damage(PD) & Hours Time Element(TE)  
2.05.05.02.03.01. <Insert wording.>

per **Occurrence** except as follows:

2.05.05.02.03.02. As respects **Locations** with any part of the legal description within a **SFHA**:

2.05.05.02.03.02.01. Property Damage -\$0.00 or % of the value per the <most current Statement of Values <on file with the company>> < Valuation clause of the General Conditions section, of the property insured> as of the date of loss, for the **Location** where the direct physical loss or damage occurred, per **Location**.

2.05.05.02.03.02.02. Time Element - \$0.00 or % of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the **Occurrence** by use of the facilities at the **Location** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues, per **Location**.

<The value of 2.05.05.02.03.02.01. & 2.05.05.02.03.02.02.combined.>

2.05.05.02.03.02.03. The above **Flood** deductibles are subject to a minimum deductible of<\$0.00 for Property Damage and \$0.00 Time Element> < \$0.00 combined> < per Location><per **Occurrence**>>.

2.05.05.02.03.03. As respects **Locations** with any part of the legal description within a **Moderate Flood Hazard Area**:

2.05.05.02.03.03.01. Property Damage -\$0.00 or % of the value per the <most current Statement of Values <on file with the company>> < Valuation clause of the General Conditions section, of the property insured> as of the date of loss, for the **Location** where the direct physical loss or damage occurred, per **Location**.

2.05.05.02.03.03.02. Time Element / \$0.00 or % of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the **Occurrence** by use of the facilities at the **Location** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues, per **Location**.

<The value of 2.05.05.02.03.03.01. & 2.05.05.02.03.03.02.combined.>

2.05.05.02.03.03.03. The above **Flood** deductibles are subject to a minimum deductible of<\$0.00 for Property Damage and \$0.00 Time Element> < \$0.00 combined> < per Location><per **Occurrence**>>.

2.05.05.02.04. **Named Storm**

The following deductibles apply to loss or damage caused by or resulting from **Named Storm**. The **Named Storm** deductible will apply regardless of any other deductibles that may also apply.

2.05.05.02.04.01. \$0.00 combined coverages  
2.05.05.02.04.01. \$0.00 Property Damage(PD) & \$0.00 Time Element (TE)  
2.05.05.02.04.01. \$0.00 Property Damage(PD) & X times **ADV** Time Element (TE)  
2.05.05.02.04.01. \$0.00 Property Damage(PD) & X times **DV** Time Element(TE)  
2.05.05.02.04.01. \$0.00 Property Damage(PD) & Days Time Element(TE)  
2.05.05.02.04.01. \$0.00 Property Damage(PD) & Hours Time Element(TE)  
2.05.05.02.04.01. <Insert wording.>

per **Occurrence** except as follows:

- 2.05.05.02.04.02. As respects **Locations** in Zone 1:
- 2.05.05.02.04.02.01. Property Damage -\$0.00 or % of the value per the <most current Statement of Values <on file with the company>> < Valuation clause of the General Conditions section, of the property insured> as of the date of loss, for the **Location** where the direct physical loss or damage occurred, per **Location**.
- 2.05.05.02.04.02.02. Time Element - \$0.00 or % of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the **Occurrence** by use of the facilities at the **Location** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues, per **Location**.
- <The value of 2.05.05.02.04.02.01. & 2.05.05.02.04.02.02.combined.>
- 2.05.05.02.04.02.03. The above **Named Storm** deductibles are subject to a minimum deductible of<\$0.00 for Property Damage and \$0.00 Time Element> < \$0.00 combined> < per Location><per **Occurrence**>>.
- 2.05.05.02.04.03. As respects **Locations** in Zone 2:
- 2.05.05.02.04.03.01. Property Damage -\$0.00 or % of the value per the <most current Statement of Values <on file with the company>> < Valuation clause of the General Conditions section, of the property insured> as of the date of loss, for the **Location** where the direct physical loss or damage occurred, per **Location**.
- 2.05.05.02.04.03.02. Time Element - \$0.00 or % of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the **Occurrence** by use of the facilities at the **Location** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues, per **Location**.
- <The value of 2.05.05.02.04.03.01. & 2.05.05.02.04.03.02.combined.>
- 2.05.05.02.04.03.03. The above **Named Storm** deductibles are subject to a minimum deductible of<\$0.00 for Property Damage and \$0.00 Time Element> < \$0.00 combined> < per Location><per **Occurrence**>>.
- 2.05.05.02.05. **Breakdown** of Equipment deductible
- 2.05.05.02.05.01. \$0.00 combined coverages
- 2.05.05.02.05.01. \$0.00 Property Damage(PD) & \$0.00 Time Element (TE)
- 2.05.05.02.05.01. \$0.00 Property Damage(PD) & X times **ADV** Time Element (TE)
- 2.05.05.02.05.01. \$0.00 Property Damage(PD) & X times **DV** Time Element(TE)
- 2.05.05.02.05.01. \$0.00 Property Damage(PD) & Days Time Element(TE)
- 2.05.05.02.05.01. \$0.00 Property Damage(PD) & Hours Time Element(TE)

2.05.05.02.05.01.

<Insert wording.>

per **Occurrence** for loss or damage caused by **Breakdown**.

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name of Authorized Rep.

\_\_\_\_\_  
Office

**Specimen**

## SECTION III - PROPERTY DAMAGE

### 3.01. COVERED PROPERTY

This Policy insures the following property, unless otherwise excluded elsewhere in this Policy, located at an Insured Location or within 1,000 feet thereof or as otherwise provided for in this Policy.

- 3.01.01. The Insured's interest in buildings (or structures) including new construction, additions, alterations, and repairs that the Insured owns, occupies, leases or rents.
- 3.01.02. The Insured's interest in Personal Property, including **Improvements and Betterments**.
- 3.01.03. Property of Others will not extend any Time Element Coverage provided under this Policy to the owner of the property and is limited to property:
  - 3.01.03.01. In the Insured's care, custody or control;
  - 3.01.03.02. In which the Insured has an insurable interest or obligation;
  - 3.01.03.03. For which the Insured is legally liable; or
  - 3.01.03.04. For which the Insured has agreed in writing prior to any loss or damage to provide coverage.
- 3.01.04. Personal Property of officers and employees of the Insured.

### 3.02. PROPERTY NOT COVERED

This Policy does not insure the following property:

- 3.02.01. **Money**, precious metal in bullion form, notes, or **Securities**.
- 3.02.02. Watercraft or aircraft, except when unfueled and manufactured by the Insured.
- 3.02.03. Spacecraft, satellites, associated launch vehicles and any property contained therein.
- 3.02.04. Animals, standing timber and growing crops.
- 3.02.05. Bridges and tunnels when not part of a building or structure, dams, dikes, piers, wharfs, docks or bulkheads.
- 3.02.06. Land, water or any other substance in or on land; except this exclusion does not apply to:
  - 3.02.06.01. **Land Improvements**, or
  - 3.02.06.02. Water that is contained in any enclosed tank, piping system or any other processing equipment.
- 3.02.07. **Land Improvements** at a golf course.
- 3.02.08. Mines, mineshafts, caverns and any property contained therein.
- 3.02.09. Vehicles of officers and employees of the Insured or vehicles otherwise insured for physical loss or damage.

- 3.02.10. Transmission and distribution lines situated beyond 1,000 feet of the Insured Location.
- 3.02.11. Property in transit, except as otherwise provided by the Transit Coverage of this Policy.
- 3.02.12. Contraband or property in the course of illegal transit or trade.
- 3.02.13. Property more specifically insured, except for any excess beyond such more specific insurance limit.
- 3.02.14. Property sold by the Insured under conditional sale, trust agreement, installment plan or other deferred payment plan after delivery to customers except as provided by the Deferred Payments Coverage of this Policy.
- 3.02.15. **Electronic Data, Programs and Software**, except when they are **Stock in Process, Finished Stock, Raw Materials**, supplies or **Merchandise** or as otherwise provided by the Computer Systems Damage Coverage or **Valuable Papers and Records** Coverage of this Policy.

### 3.03. EXCLUSIONS

The following exclusions apply unless specifically stated elsewhere in this Policy:

- 3.03.01. This Policy excludes the following unless it results from direct physical loss or damage not excluded by this Policy.
  - 3.03.01.01. **Contamination**, and any cost due to **Contamination** including the inability to use or occupy property or any cost of making property safe or suitable for use or occupancy, except as provided by the Radioactive Contamination Coverage of this Policy.
  - 3.03.01.02. Changes in size, color, flavor, texture or finish.
  - 3.03.01.03. Loss or damage arising from the enforcement of any law, ordinance, regulation or rule regulating or restricting the construction, installation, repair, replacement, improvement, modification, demolition, occupancy, operation or other use, or removal including debris removal of any property.
- 3.03.02. This Policy excludes:
  - 3.03.02.01. Loss or damage arising from delay, loss of market, or loss of use.
  - 3.03.02.02. Indirect or remote loss or damage.
  - 3.03.02.03. Loss or damage arising from the interference by strikers or other persons with rebuilding, repairing or replacing property or with the resumption or continuation of the Insured's business.
  - 3.03.02.04. Unexplained disappearance; mysterious disappearance; or shortage disclosed on taking inventory when the factual existence of such shortage is solely dependant on inventory records.
  - 3.03.02.05. Loss or damage resulting from the Insured's suspension of business activities, except to the extent provided by this Policy.
  - 3.03.02.06. Any applicable Special Coverage, **Described Cause of Loss**, or portion of coverage if a Limit of Liability is identified as **NCP** in Section II-Declarations.

- 3.03.03. This Policy excludes direct physical loss or damage directly or indirectly caused by or resulting from any of the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:
- 3.03.03.01. Nuclear reaction or radiation, any by-product of nuclear reaction, any radiological material or radioactive contamination however caused; but if direct physical loss of or damage to Covered Property by fire or sprinkler leakage results, the Company will pay for the loss or damage caused by the fire or sprinkler leakage.
- 3.03.03.02. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, nationalization, confiscation, requisition, seizure or destruction by the government or any public authority, including action in hindering, combating or defending against any of these. However, destruction by order of governmental or public authority to prevent spread of fire is covered.
- 3.03.03.03. Any weapon of war or of mass destruction employing biological or chemical warfare, atomic fission, atomic fusion, radioactive force or radioactive material, whether in time of peace or war regardless of who commits the act.
- 3.03.03.04. Dishonest, fraudulent or criminal acts by the Insured or any of the Insured's associates, proprietors, partners, officers, employees, directors, trustees or authorized representatives.
- This exclusion does not apply to acts of direct physical loss or damage resulting from a **Covered Cause of Loss** intentionally caused by any individual specified above and done without the knowledge of the Insured. In no event does this Policy cover loss caused by theft by any individual above.
- 3.03.03.05. Lack of the following services when caused by an event off the Insured Location (except as provided in Off Premises Service Interruption Property Damage and Time Element Coverage of this Policy). However, if the lack of any of the following services results in a **Covered Cause of Loss**, this exclusion does not apply to the loss or damage caused by the **Covered Cause of Loss**.
- 3.03.03.05.01. Incoming electricity, fuel, water, gas, steam, refrigerant;
- 3.03.03.05.02. Outgoing sewage; or
- 3.03.03.05.03. Incoming or outgoing voice, data or video.
- 3.03.04. This Policy excludes the following but any resulting physical damage not otherwise excluded is insured:
- 3.03.04.01. Faulty, inadequate or defective design, specifications, workmanship, construction or materials used.
- 3.03.04.02. Loss or damage to stock or material attributable to manufacturing or processing operations while such stock or material is being processed, manufactured, tested or otherwise worked on.
- 3.03.04.03. Corrosion, depletion, deterioration, erosion, inherent vice, latent defect, rust, wear and tear.
- 3.03.04.04. Changes of temperature (except to machinery or equipment) or changes in relative humidity, all whether atmospheric or not.

- | 3.03.04.05. Settling, cracking, shrinking, bulging or expansion of: foundations (including any pedestal, pad, platform or other property supporting machinery), floors, pavements, walls, ceilings or roofs.
- 3.03.04.06. Insects, animals or vermin damage.
- 3.03.04.07. Cumulative effects of smog, smoke, vapor, liquid and dust.

Specimen

## SECTION IV - TIME ELEMENT

### 4.01. LOSS INSURED

4.01.01. The Company will pay for the actual Time Element loss the Insured sustains, as provided in the Time Element Coverages, during the Period of Liability. The Time Element loss must result from the necessary **Suspension** of the Insured's business activities at an Insured Location. The **Suspension** must be due to direct physical loss of or damage to Property (of the type insurable under this Policy other than **Finished Stock**) caused by a **Covered Cause of Loss** at the **Location**, or as provided in Off Premises Storage for Property Under Construction Coverages.

The Company will also pay for the actual Time Element loss sustained by the Insured, during the Period of Liability at other Insured Locations. The Time Element loss must result from the necessary **Suspension** of the Insured's business activities at the other Insured Locations. Such other Location must depend on the continuation of business activities at the **Location** that sustained direct physical loss or damage caused by a **Covered Cause of Loss**.

4.01.02. There is recovery only to the extent that the Insured is:

4.01.02.01. unable to make up lost production within a reasonable period of time not limited to the period during which production is **Suspended**;

4.01.02.02. unable to continue such operations or services during the Period of Liability; and

4.01.02.03. able to demonstrate a loss of revenue for the operations, services or production **Suspended**.

4.01.03. The Company insures Time Element loss only to the extent it cannot be reduced by:

4.01.03.01. The Insured resuming business activities in whole or part;

4.01.03.02. Using damaged or undamaged property (including **Raw Stock, Stock in Process** or **Finished Stock**) at the Insured Location or elsewhere;

4.01.03.03. Using the services or property of others;

4.01.03.04. Working extra time or overtime; or

4.01.03.05. The use of other **Locations** not covered under this Policy.

4.01.03.06. Any amount recovered under property damage coverage at selling price for loss or damage to **Merchandise**.

4.01.04. The Company will include in any calculation the combined operating results of all Insured Locations in determining the Time Element loss.

4.01.05. In determining the Time Element loss, the Company will evaluate the experience of the business before and after the loss or damage and the probable experience had no direct physical loss or damage occurred at an Insured Location during the Period of Liability.

### 4.02. TIME ELEMENT COVERAGES

#### 4.02.01. GROSS EARNINGS

4.02.01.01. Gross Earnings loss is the actual loss sustained by the Insured during the Period of Liability.

- 4.02.01.02. Gross Earnings value is determined as follows:
  - 4.02.01.02.01. The sum of:
    - 4.02.01.02.01.01. Total net sales value of production;
    - 4.02.01.02.01.02. Total net sales of **Merchandise**;
    - 4.02.01.02.01.03. The rental income; and
    - 4.02.01.02.01.04. Other income derived from the Insured's business activities.
  - 4.02.01.02.02. Less the cost of the following:
    - 4.02.01.02.02.01. **Raw Stock** from which production is derived;
    - 4.02.01.02.02.02. Supplies consisting of materials consumed directly in conversion of **Raw Stock** into **Finished Stock** or in supplying the service(s) sold by the Insured;
    - 4.02.01.02.02.03. **Merchandise** sold, including related packaging materials; and
    - 4.02.01.02.02.04. Service(s) purchased from outsiders (not Insured's employees) for resale, which do not continue under contract.
- 4.02.01.02.03. Gross Earnings loss is determined as follows:
 

Gross Earnings value that would have been earned during the Period of Liability, less charges and expenses that do not necessarily continue during the Period of Liability.

Consideration shall be given to the continuation of normal charges and expenses, including **Ordinary Payroll** for the number of consecutive days as stated in the Declarations but not to exceed the limit shown for **Ordinary Payroll**, to the extent necessary to resume the Insured's business activities with the same quality of service that existed immediately preceding the loss.
- 4.02.01.02.04. This Policy will also pay the reasonable and necessary expenses incurred (except the cost to extinguish a fire) by the Insured to reduce the amount of Gross Earnings loss during the Period of Liability. This Policy will pay for such expenses to the extent that they do not exceed the amount of Gross Earnings loss that otherwise would have been payable. This provision will not pay for the cost of permanent repair or replacement of property that has suffered direct physical loss or damage.
- 4.02.01.02.05. This Policy will also pay the increased tax liability incurred by the Insured due to the profit portion of a Gross Earnings loss payment being greater than the tax liability incurred on the profits that would have been earned had no loss occurred.

4.02.02. **EXTENDED PERIOD OF LIABILITY**

Upon the termination of the coverage for Gross Earnings loss under 4.02.01.01. this Policy will continue to pay the actual Gross Earnings loss sustained by the Insured until the earlier of:

- 4.02.02.01. The date the Insured could restore its business with due diligence, to the condition that would have existed had no direct physical loss or damage occurred to the Insured's Covered Property; or

- 4.02.02.02. The number of consecutive days as stated in the Declarations
- 4.02.02.03. Exclusion 4.02.06.01.02.01. is deleted during the Extended Period of Liability and is replaced with:
  - 4.02.06.01.02.01. A reduction in sales after the Extended Period of Liability ends due to suspension, cancellation or lapse of any lease, contract, license or orders.

4.02.03. **EXTRA EXPENSE**

The Company will pay for the reasonable and necessary Extra Expenses incurred by the Insured, during the Period of Liability, to resume and continue as nearly as practicable the Insured's normal business activities that otherwise would be necessarily suspended, due to direct physical loss of or damage caused by a **Covered Cause of Loss** to Property of the type insurable under this policy at a **Location**.

The Company will reduce the amount payable as Extra Expense by the fair market value remaining at the end of the Period of Liability for property obtained in connection with the above.

Extra Expenses mean that amount spent to continue the Insured's business activities over and above the expenses the Insured would have normally incurred had there been no direct physical loss of or damage caused by a **Covered Cause of Loss** to Property of the type insurable under this policy at a **Location**. Extra Expense does not include any Gross Earnings loss or Gross Profit loss, the cost of permanent repair or replacement of property that has suffered direct physical loss or damage, or expenses otherwise payable elsewhere in the Policy.

4.02.04. **LEASEHOLD INTEREST**

The Company will pay for the actual Leasehold Interest loss incurred by the Insured (as lessee) resulting from direct physical loss of or damage caused by a **Covered Cause of Loss** to a building (or structure) which is leased and not owned by the Insured, as follows:

- 4.02.04.01. If the building (or structure) becomes wholly untenable or unusable and the lease agreement requires continuation of the rent, the Company will pay the Insured the present value of the actual rent payable for the unexpired term of the lease, not including any options;
- 4.02.04.02. If the building (or structure) becomes partially untenable or unusable and the lease agreement requires continuation of the rent, the Company will pay the Insured for the present value of the proportionate amount of the actual rent payable for the unexpired term of the lease, not including any options; or
- 4.02.04.03. If the lease is cancelled by the lessor pursuant to the terms of the lease agreement or by operation of law, this Policy will pay the Insured for their **Lease Interest** for the first three (3) months following the loss or damage and for their **Net Lease Interest** for the remaining unexpired term of the lease.
- 4.02.04.04. The Insured must use any suitable property or service owned, controlled, or obtainable from any source to reduce the loss.
- 4.02.04.05. In addition to the exclusions elsewhere in this Policy, the Leasehold Interest Coverage excludes:
  - 4.02.04.05.01. Any increase in the Leasehold Interest loss resulting from the suspension, lapse or cancellation of any lease;

- 4.02.04.05.02. Any loss from the Insured exercising an option to cancel the lease; or
- 4.02.04.05.03. Any loss from an act or omission by the Insured that constitutes default under the lease.

4.02.05. **EXCLUSIONS**

In addition to the exclusions elsewhere in this Policy, the following exclusions apply to Time Element Coverage;

- 4.02.05.01. This Policy does not insure against:
  - 4.02.05.01.01. Any loss during any idle period that would have been experienced had the **Suspension** of business activities not occurred. This includes, but is not limited to, when production, operation, services, delivery or receipt of goods or services or any other business activities would have ceased, or would not have taken place or would have been prevented due to:
    - 4.02.05.01.01.01. Planned or rescheduled shutdown;
    - 4.02.05.01.01.02. Strikes or other work stoppage; or
    - 4.02.05.01.01.03. Any reason other than physical loss or damage insured by this Policy.
  - 4.02.05.01.02. Any increase in Time Element loss due to:
    - 4.02.05.01.02.01. Suspension, cancellation or lapse of any lease, contract, license or orders;
    - 4.02.05.01.02.02. Fines or damages for breach of contract or for late or non-completion of orders;
    - 4.02.05.01.02.03. Penalties of any nature; or
    - 4.02.05.01.02.04. Any other consequential or remote factors.
  - 4.02.05.01.03. Any loss resulting from loss or damage to **Finished Stock**, nor the time required for their reproduction.
  - 4.02.05.01.04. Any Time Element loss due to physical loss or damage not insured by this Policy on or off of the Insured Location.
 

However, in the event that a **Suspension** is due to a **Covered Cause of Loss** and during such **Suspension** a loss that is otherwise excluded occurs, the Company will pay for the Time Element loss which is directly caused by the **Covered Cause of Loss** to Covered Property under this Policy.
  - 4.02.05.01.05. Any Time Element loss resulting from damage to Property of Others; however this exclusion does not apply to Time Element loss suffered by the Insured as a direct result of the damage to Property of Others.

4.03. **PERIOD OF LIABILITY**

- 4.03.01. The Period of Liability applying to all Time Element Coverages, except **Leasehold Interest**, and as shown below or if otherwise provided under any Special Coverage, and subject to any Time Limit provided in 2.03.09., is as follows:

- 4.03.01.01. For building and equipment: The period starting from the time of physical loss or damage of the type insured against and ending when with due diligence and dispatch the building and equipment could be repaired or replaced, and made ready for operations under the same or equivalent physical and operating conditions that existed prior to the damage. The expiration of this Policy will not limit the Period of Liability.
- 4.03.01.02. For building and equipment under construction: The equivalent of the above period of time will be applied to the level of business that reasonably would have been achieved after construction and startup would have been completed had there been no direct physical loss or damage. Due consideration will be given to the actual experience of the business after completion of the construction and startup.
- 4.03.01.03. For **Stock in Process** and **Merchandise**: The period of time required with the exercise of due diligence and dispatch to restore **Stock in Process** to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services and to replace physically damaged **Merchandise**.
- 4.03.01.04. For **Raw Materials** and supplies: The period of time of actual interruption of production or suspension of operations or services resulting from the inability to get suitable **Raw Materials** and supplies to replace **Raw Materials** and supplies damaged, but limited to that period for which the damaged **Raw Materials** and supplies would have supplied operating needs.
- 4.03.02. The Period of Liability applying to all Time Element Coverage, except **Leasehold Interest**, or if otherwise provided under any Special Coverage, and subject to any Time Limit provided in 2.03.09., does not include any additional time due to the Insured's inability to resume operations for any reason, including but not limited to:
  - 4.03.02.01. Making changes to equipment;
  - 4.03.02.02. Making changes to the buildings or structures except as provided in the Increased Costs of Construction Coverage of the Special Coverages section; or
  - 4.03.02.03. Re-staffing or retraining employees.

## SECTION V - SPECIAL COVERAGES & DESCRIBED CAUSES OF LOSS

### 5.01. OPERATION OF SPECIAL COVERAGES & DESCRIBED CAUSES OF LOSS:

- 5.01.01. Special Coverages & **Described Causes of Loss** are subject to the applicable Limit of Liability and are included within and will not increase the Policy Limit.
- 5.01.02. Special Coverages & **Described Causes of Loss** are subject to the Policy provisions, including applicable exclusions and deductibles, all as shown in this section and elsewhere in this Policy, whether or not a Limit of Liability is shown.
- 5.01.03. If coverage is afforded under any Special Coverage or **Described Cause of Loss**, the applicable Limit of Liability for that Special Coverage or **Described Cause of Loss** is the most the Company will pay for all the loss or damage described therein even if coverage would otherwise be available under any other part of this Policy.
- 5.01.04. If no Limit of Liability is shown in this Policy, the Limit of Liability for that Special Coverage or **Described Cause of Loss** is part of the Policy Limit.
- 5.01.05. If **NCP** is shown for any Special Coverage or **Described Cause of Loss** in this Policy, then no coverage is provided for that Special Coverage or **Described Cause of Loss**.
- 5.01.06. If two or more Limits of Liability apply to a claim for loss or damage, or some part thereof, the lesser applicable Limit of Liability shall apply to the claim, or to the part thereof.
- 5.01.07. The Company will pay no more in any one (1) **Occurrence** than our proportionate share of any applicable Limit of Liability regardless of the number of **Locations** affected by such **Occurrence** and regardless of whether additional or greater limits would otherwise be available under any other part of this Policy.
- 5.01.08. Any **Annual Aggregate** limit is the most the Company will pay in the **Policy Year** regardless of the number of **Occurrences**.
- 5.01.09. In the event of loss or damage involving any one or more of the following Special Coverage or **Described Causes of Loss**, the Company will pay no more for the total of all such coverage combined than our proportionate share of the Policy Limit.

### 5.02. DESCRIPTION OF SPECIAL COVERAGES

#### 5.02.01. ACCOUNTS RECEIVABLE

The Company will pay for the actual loss sustained resulting from direct physical loss of or damage caused by a **Covered Cause of Loss** to the Insured's accounts receivable records as respects the following:

- 5.02.01.01. All sums due the Insured from customers, provided the Insured is unable to collect these sums as a result of direct physical loss or damage to accounts receivable records;
- 5.02.01.02. Interest charges on any loan obtained by the Insured to offset impaired collections resulting from direct physical loss of or damage to accounts receivable records but only for such period of time reasonable and necessary for the Insured to resume normal collections;

5.02.01.03. Necessary collection expense in excess of normal collection cost due to direct physical loss of or damage to accounts receivable records; and

5.02.01.04. Other expenses, when reasonably incurred by the Insured in re-establishing accounts receivable records following direct physical loss of or damage to accounts receivable records.

5.02.01.05. For the purpose of this insurance, credit card charge records shall be deemed to represent sums due the Insured from customers, until the charge records are delivered to the credit card company.

5.02.01.06. When there is proof that direct physical loss of accounts receivable records has occurred and the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of loss, the amount payable shall be computed as follows:

5.02.01.06.01. The monthly average of accounts receivable during the last available twelve (12) months; the reasonable and necessary collection expenses in excess of normal collection costs due to direct physical loss of or damage to accounts receivable records; and the reasonable and necessary expenses incurred in reestablishing accounts receivable records following direct physical loss or damage, shall be adjusted in accordance with the percentage increase or decrease in the twelve (12) months average of monthly gross revenues which may have occurred in the interim.

5.02.01.06.02. The monthly amount of accounts receivable as established in b).1). above shall be further adjusted in accordance with any demonstrable variance from the average for the particular month in which the loss occurred. Consideration will also be given to the normal fluctuations in the amount of accounts receivable within the fiscal month involved.

5.02.01.06.03. The Company shall deduct from the total amounts of accounts receivable, the amount of accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an amount to allow for probable bad debts which the Insured normally would have been unable to collect and for the normal collection costs incurred due to accounts receivable.

5.02.01.07. The following additional exclusion applies:

This Coverage does not insure against shortage resulting from bookkeeping, accounting, billing errors or omissions, alteration, falsification, manipulation, concealment, destruction or disposal of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.

## 5.02.02. AMMONIA CONTAMINATION

In the event of direct physical loss of or damage to Covered Property caused by a **Breakdown of Covered Equipment** at a **Scheduled Location**, the Company will pay for resulting **Ammonia Contamination**.

## 5.02.03. CIVIL OR MILITARY AUTHORITY

The Company will pay for the actual Time Element loss sustained by the Insured, as provided by this Policy, resulting from the necessary **Suspension** of the Insured's business activities at an Insured Location if the **Suspension** is caused by order of civil or military authority that prohibits access to the **Location**. That order must result from a civil authority's response to direct physical loss of or damage caused by a **Covered Cause of Loss** to property not owned, occupied, leased or

rented by the Insured or insured under this Policy and located within the distance of the Insured's Location as stated in the Declarations. The Company will pay for the actual Time Element loss sustained, subject to the deductible provisions that would have applied had the physical loss or damage occurred at the Insured Location, during the time the order remains in effect, but not to exceed the number of consecutive days following such order as stated in the Declarations up to the limit applying to this Coverage.

#### 5.02.04. COMPUTER SYSTEMS DAMAGE

The Company will pay for direct physical loss of or damage to the Insured's **Electronic Data, Programs, Software** and the actual Time Element loss sustained, as provided by this Policy, during the **Period of Interruption** directly resulting from mysterious disappearance of code, any failure, malfunction, deficiency, deletion, fault, **Computer Virus** or corruption to the Insured's **Electronic Data, Programs, Software** at an Insured Location. The Company will also pay for such loss or damage that may arise out of or result from any authorized or unauthorized access in, of, or to any computer, communication system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor, integrated circuit or similar device.

This Coverage will only apply when the **Period of Interruption** exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay for the amount of loss in excess of the Policy Deductible, but not more than the limit applying to this Coverage.

5.02.04.01. The following additional exclusions apply:

5.02.04.01.01. The Company will not pay for any loss or damage to **Electronic Data, Programs or Software** when they are **Raw Stock, Stock in Process, Finished Stock** manufactured by the Insured, and supplies or other **Merchandise**.

5.02.04.01.02. Errors or omissions in processing or copying, except when direct physical loss or damage caused by a **Covered Cause of Loss** results. Then only that resulting damage is covered.

5.02.04.01.03. Loss or damage to **Electronic Data, Programs or Software** from errors or omissions in programming or machine instructions.

#### 5.02.05. CONTINGENT TIME ELEMENT

This Policy covers the actual Time Element loss as provided by the Policy, sustained by the Insured during the Period of Liability directly resulting from the necessary **Suspension** of the Insured's business activities at an Insured Location if the **Suspension** results from direct physical loss of or damage caused by a **Covered Cause of Loss** to Property (of the type insurable under this Policy) at **Direct Dependent Time Element Locations, Indirect Dependent Time Element Locations, and Attraction Properties** located worldwide, except for in the following:

Afghanistan, Albania, Algeria, Angola, Armenia, Azerbaijan, Belarus, Benin, Botswana, Burkina - Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Republic of Congo, Democratic Republic of the Congo, Cuba, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Georgia, Haiti, Iran, Iraq, Ivory Coast, Kazakhstan, Kampuchea (Cambodia), Kenya, Kyrgyzia, Laos, Lebanon, Lesotho, Liberia, Lybia, Macedonia, Madagascar, Malawi, Mali, Mauritania, Mayotte, Mongolia, Montenegro, Mozambique, Myanmar (Burma), Namibia, Niger, Nigeria, North Korea, Pakistan, Palestine, Reunion, Rwanda, Sao Tomé and Príncipe, Senegal, Serbia, Sierra Leone, Somalia, Sri Lanka,

Sudan, Swaziland, Syria, Tajikistan, Tanzania, Tibet, Togo, Turkmenistan, Uganda, Uzbekistan, Western Sahara, Yemen, Zambia, Zimbabwe; or

Any other country where prohibited by United States law or where trade relations are unlawful as determined by the Government of the United States of America or its agencies.

5.02.05.01. As respects Contingent Time Element:

5.02.05.01.01. The Insured will influence and cooperate with the **Direct Dependent Time Element Locations, Indirect Dependent Time Element Locations, and Attraction Properties** in every way and take any reasonable and necessary action, including the use of other machinery, supplies or locations, to mitigate the loss payable hereunder.

5.02.05.01.02. In determining the indemnity payable hereunder, the Company will consider the amount of income derived before the date of physical loss or damage and the probable amount of income after the date of loss or damage.

5.02.05.01.03. 4.02.05.01.03. does not apply.

5.02.05.02. Any Time Element loss directly or indirectly caused by or resulting from any **Terrorist Activity** regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss is excluded when the **Direct Dependent Time Element Locations, Indirect Dependent Time Element Locations, and Attraction Properties** is outside of the USA, its territories, possessions and missions, and the Commonwealth of Puerto Rico.

5.02.05.03. As respects **Indirect Dependent Time Element Locations and Attraction Properties** any Time Element loss resulting from physical loss or damage caused by or resulting from Earthquake, **Flood**, or **Named Storm** regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss is excluded.

## 5.02.06. DEBRIS REMOVAL

This Policy covers the reasonable and necessary costs incurred to demolish and remove debris of property from an Insured Location that remains following direct physical loss or damage resulting from a **Covered Cause of Loss**. This includes the cost to demolish the physically undamaged portion of such property insured due to the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of buildings or structures at an Insured Location.

5.02.06.01. This Coverage does not insure the costs to remove:

5.02.06.01.01. Property Not Covered that is **Contaminated**; or

5.02.06.01.02. The **Contaminant** in or on Property Not Covered, whether or not the **Contamination** results from direct physical loss or damage caused by a **Covered Cause of Loss**. This Coverage shall cover the costs of removal of **contaminated** Covered Property or the **Contaminant** in or on Covered Property only if the **Contamination**, due to the actual not suspected presence of **Contaminant(s)**, of the debris resulted from direct physical loss or damage caused by a **Covered Cause of Loss**.

5.02.07. DECONTAMINATION COSTS

If Covered Property is **Contaminated** from direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property and there is in force at the time of the loss any law or ordinance regulating **Contamination** due to the actual not suspected presence of **Contaminant(s)**, then this Policy covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such **Contaminated** Covered Property in a manner to satisfy such law or ordinance. This Coverage applies only to that part of Covered Property so **Contaminated** due to the actual not suspected presence of **Contaminant(s)** as a result of direct physical loss or damage. The Company is not liable for the costs required for removing **Contaminated** uninsured property nor the **Contaminant** therein or thereon, whether or not the **Contamination** results from a **Covered Cause of Loss**.

5.02.08. DEFERRED PAYMENTS

This Policy will pay for direct physical loss of or damage caused by a **Covered Cause of Loss**, to Personal Property (of the type insurable under this Policy). Such property must be sold by the Insured under a conditional sale, trust agreement, or installment or deferred payment plan. Such property must have been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

In the event of loss to property sold under deferred payment plans, the Insured will use all reasonable efforts, including legal action, if necessary, to collect outstanding amounts due or to regain possession of the property.

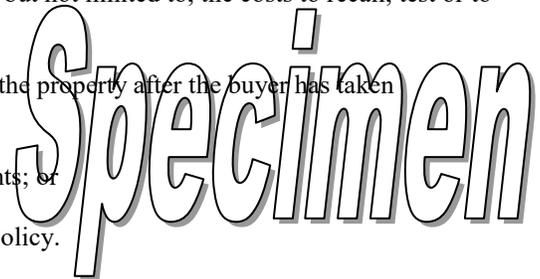
5.02.08.01. Under this Coverage the Policy excludes loss or damage:

5.02.08.01.01. Pertaining to products recalled including, but not limited to, the costs to recall, test or to advertise such recall by the Insured;

5.02.08.01.02. From theft or conversion by the buyer of the property after the buyer has taken possession of such property;

5.02.08.01.03. To the extent the buyer continues payments; or

5.02.08.01.04. Not within the covered Territory of this Policy.



5.02.09. ERRORS AND OMISSIONS

The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to property which is not payable under this Policy because of an error or unintentional omission at the time of Policy inception in the description or inclusion of any **Location** owned, occupied, leased or rented by the Insured to be Covered Property; but only to the extent this Policy would have provided coverage had the error or unintentional omission not been made.

The Policy also covers the actual Time Element loss sustained by the Insured, during the Period of Liability resulting from the necessary **Suspension** of the Insured's business activities at that **Location**, if the **Suspension** is caused by direct physical loss of or damage caused by a **Covered Cause of Loss** to such Property.

The Insured must report any error or unintentional omission as soon as possible.

5.02.09.01. This Coverage does not apply:

5.02.09.01.01. If there is coverage available under Newly Acquired Coverage or Miscellaneous Unnamed Locations Coverage of this Policy; or

5.02.09.01.02. For any error or omission in limits or deductibles.

### 5.02.10. EXPEDITING COSTS

This Policy covers the reasonable and necessary costs incurred to pay for the temporary repair of direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property and to expedite the permanent repair or replacement of such damaged property.

This Coverage excludes costs recoverable elsewhere in this Policy, or of permanent repair or replacement of damaged property.

### 5.02.11. FINE ARTS

The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to **Fine Arts** at an Insured Location.

5.02.11.01. This Policy excludes loss or damage to **Fine Arts** directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

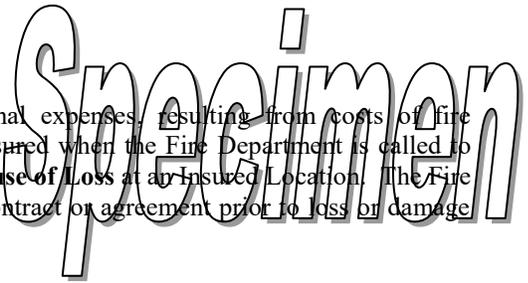
5.02.11.01.01. Breakage of bric-a-brac, glassware, marble, porcelain, statuary, and similar fragile property resulting from the article being dropped or knocked over, whether intentional or accidental;

5.02.11.01.02. Any repairing, restoring or retouching process; or

5.02.11.01.03. Any pre-existing condition.

### 5.02.12. FIRE DEPARTMENT SERVICE CHARGE

The Company will pay for the reasonable additional expenses, resulting from costs of fire extinguishing materials expended, incurred by the Insured when the Fire Department is called to save or protect Covered Property from a **Covered Cause of Loss** at an Insured Location. The Fire Department Service Charges are those assumed by contract or agreement prior to loss or damage or required by local ordinance.



### 5.02.13. IMPOUNDED WATER

The Company will pay for the actual Time Element loss as provided by this Policy, sustained by the Insured during the Period of Liability resulting from the necessary **Suspension** of the Insured's business activities at an Insured Location if the **Suspension** is caused by the lack of a supply of water from a water supply stored behind dams or in reservoirs on the Insured Location. The water supply must be used as a **Raw Material** or for generation of power or for other manufacturing purposes. The inadequate supply of water must result from the release of the water from the water supply and be caused by direct physical loss of or damage caused by a **Covered Cause of Loss** to the dam, reservoir, or connected equipment. The Company will pay for the actual Time Element loss sustained, in excess of the applicable deductible, but not to exceed the number of consecutive days as stated in the Declarations after the damaged dam, reservoir or connected equipment has been repaired or replaced, with the exercise of due diligence and dispatch, up to the limit applying to this Coverage.

5.02.14. INCREASED COST OF CONSTRUCTION

5.02.14.01. This Policy covers the reasonable and necessary costs incurred, described in 05.02.14.03., to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of buildings or structures at an Insured Location, provided:

5.02.14.01.01. Such law or ordinance is in force on the date of direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property; and

5.02.14.01.02. Its enforcement is a direct result of direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property.

5.02.14.02. This Coverage does not cover loss due to any law or ordinance with which the Insured was required to comply before the loss, even when the building was undamaged, and the Insured did not comply.

5.02.14.03. This Coverage, as respects the property insured in 5.02.14.01., covers:

5.02.14.03.01. The increased cost to repair or rebuild the physically damaged portion of such property with materials and in a manner to satisfy such law or ordinance; and

5.02.14.03.02. The increased cost to rebuild physically undamaged property that has been demolished with materials and in a manner to satisfy such law or ordinance, to the extent that such costs result when the demolition of the insured property is required to satisfy such law or ordinance.

5.02.14.03.03. This Coverage applies only to the costs described in 5.02.14.03. The portion of the cost to repair, rebuild or replace property with property of like kind and quality is not part of this Coverage and is to be considered direct physical loss of or damage under 1.01.

5.02.14.04. This Coverage excludes any costs incurred as a direct or indirect result of enforcement of any laws or ordinances regulating any form of **Contamination**.

5.02.14.05. The Company's maximum liability for this Coverage in any **Occurrence** will not exceed the actual cost incurred in 5.02.14.03. up to the limit applying to this Coverage.

5.02.15. INGRESS/EGRESS

The Company will pay for the actual Time Element loss sustained by the Insured, as provided by this Policy, resulting from the necessary **Suspension** of the Insured's business activities at an Insured Location if ingress or egress to that Insured Location by the Insured's suppliers, customers or employees is prevented by physical obstruction due to direct physical loss of or damage caused by a **Covered Cause of Loss** to property not owned, occupied, leased or rented by the Insured or insured under this Policy and located within the distance of the Insured Location as stated in the Declarations. The Company will pay for the actual Time Element loss sustained, subject to the deductible provisions that would have applied had the physical loss or damage occurred at the Insured Location, during the time ingress or egress remains prevented by physical obstruction but not to exceed the number of consecutive days as stated in the Declarations following such obstruction up to the limit applying to this Coverage.

5.02.16. INTERNATIONAL INTERDEPENDENCY

The Company will pay for the actual Time Element loss sustained by the Insured, as provided by this Policy, resulting from the necessary suspension of the Insured's business activities at an Insured Location, if the suspension is caused by direct physical loss of or damage to Property (of

Specimen

the type insurable under this Policy other than **Finished Stock**) caused by a **Covered Cause of Loss** at a **Location**, that would be an Insured Location if it were located in the Coverage Territory of this Policy.

The **Location** that sustains direct physical loss or damage cannot be located within the Coverage Territory of this Policy and is located anywhere in the world, except for:

Afghanistan, Albania, Algeria, Angola, Armenia, Azerbaijan, Belarus, Benin, Botswana, Burkina - Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Republic of Congo, Democratic Republic of the Congo, Cuba, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Georgia, Haiti, Iran, Iraq, Ivory Coast, Kazakhstan, Kampuchea (Cambodia), Kenya, Kyrgyzia, Laos, Lebanon, Lesotho, Liberia, Lybia, Macedonia, Madagascar, Malawi, Mali, Mauritania, Mayotte, Mongolia, Montenegro, Mozambique, Myanmar (Burma), Namibia, Niger, Nigeria, North Korea, Pakistan, Palestine, Reunion, Rwanda, Sao Tomé and Príncipe, Senegal, Serbia, Sierra Leone, Somalia, Sri Lanka, Sudan, Swaziland, Syria, Tajikistan, Tanzania, Tibet, Togo, Turkmenistan, Uganda, Uzbekistan, Western Sahara, Yemen, Zambia, Zimbabwe; or

Any other country where prohibited by United States law or where trade relations are unlawful as determined by the Government of the United States of America or its agencies.

The Insured Location must depend on the continuation of business activities at the **Location** that sustained direct physical loss or damage caused by a **Covered Cause of Loss**. The Company will pay for the actual Time Element loss sustained, in excess of the Policy Deductible, but not to exceed the number of consecutive days following such suspension as stated in the Declarations up to the limit applying to this Coverage.

5.02.16.01. Any Time Element loss directly or indirectly caused by or resulting from any **Terrorist Activity** regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss is excluded when the **Location**, that would be an Insured Location if it were located in the Coverage Territory of this Policy is outside of the USA, its territories, possessions and missions, and the Commonwealth of Puerto Rico.

5.02.17. **LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL**

This Policy covers the reasonable and necessary cost for the cleanup, removal and disposal of the actual not suspected presence of **Contaminant(s)** from uninsured property consisting of land, water or any other substance in or on land at the Insured Location if the release, discharge or dispersal of such **Contaminant(s)** is a result of direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property.

Specimen

5.02.17.01. This Policy excludes the cost to cleanup, remove and dispose of **Contaminant(s)** from such property:

5.02.17.01.01. At any **Location** where the building or structure is not insured by this Policy;

5.02.17.01.02. At any property insured under Newly Acquired, Errors and Omissions or Miscellaneous Unnamed Location Coverage provided by this Policy; or

5.02.17.01.03. When the Insured fails to give written notice of loss to the Company within 180 days after inception of the loss.

5.02.18. LAND IMPROVEMENTS

The Company will pay for the additional cost of reclaiming, restoring or repairing **Land Improvements** resulting from direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property at an Insured Location.

5.02.18.01. As respects lawns, plants, shrubs or trees direct physical loss or damage directly or indirectly caused by or resulting from Earthquake, **Flood**, or **Named Storm** regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss is excluded.

5.02.19. MISCELLANEOUS PERSONAL PROPERTY

The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to the following property while within the coverage territory but away from an Insured Location.

5.02.19.01. The Insured's interest in Personal Property; and

5.02.19.02. Property of Others that is:

5.02.19.02.01. In the Insured's care, custody or control;

5.02.19.02.02. In which the Insured has an insurable interest or obligation;

5.02.19.02.03. For which the Insured is legally liable; or

5.02.19.02.04. For which the Insured has agreed in writing prior to any loss or damage to provide coverage.

5.02.19.02.05. This Coverage excludes property in transit or insured under any other coverage in this Policy.

5.02.20. MISCELLANEOUS UNNAMED LOCATIONS

5.02.20.01. The Company will pay for:

5.02.20.01.01. Direct physical loss of or damage caused by a **Covered Cause of Loss** at a **Miscellaneous Unnamed Location**; and

5.02.20.01.02. The actual Time Element loss sustained by the Insured, during the Period of Liability, resulting from the **Suspension** of the Insured's business activities if such **Suspension** is caused by direct physical loss or damage caused by a **Covered Cause of Loss**;

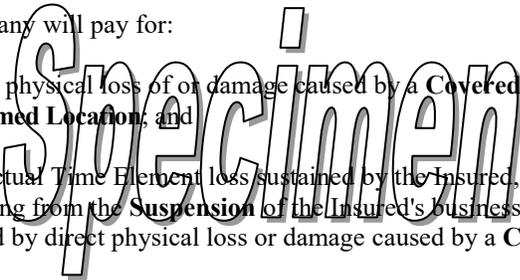
5.02.20.02. To the following:

5.02.20.02.01. Covered Property at a **Miscellaneous Unnamed Location** that has been reported to the Insurer, but agreed by the Insurer not to be scheduled;

5.02.20.02.02. Covered Property at a **Miscellaneous Unnamed Location** that has not been reported to the Insurer and is under the Insured's care, custody and control; or

5.02.20.02.03. Covered Property at a **Miscellaneous Unnamed Location** that has not been reported to the Insurer and is not under the Insured's care, custody and control.

5.02.20.03. This Coverage will not apply for loss or damage that is payable under any other provision in this Policy.



5.02.21. NEWLY ACQUIRED

The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to property (of the type insurable under this Policy), at any **Location** purchased, leased or rented by the Insured after the inception date of this Policy. This Coverage applies from the date of purchase, lease or rental. The Policy also covers the actual Time Element loss sustained by the Insured, during the Period of Liability resulting from the necessary **Suspension** of the Insured's business activities at that **Location**, if the **Suspension** is caused by direct physical loss of or damage caused by a **Covered Cause of Loss** to such Property (other than **Finished Stock**).

The Coverage provided above will end at the earliest of: the Policy expiration, the number of consecutive days as stated in the Declarations after the Insured first acquired an interest in the Covered Property, or when the Insured reports the **Location** to the Insurer.

5.02.22. OFF PREMISES SERVICE INTERRUPTION PROPERTY DAMAGE AND TIME ELEMENT LOSS

The Company will pay for direct physical loss of or damage to Covered Property and for the actual Time Element loss sustained as provided by the Policy during the **Period of Service Interruption** at Insured Locations caused by the interruption of an incoming service consisting of electricity, gas, fuel, steam, water, refrigeration, voice, data or video or from the lack of outgoing voice, data, video or sewage service.

The lack of service must result from direct physical loss of or damage caused by a **Covered Cause of Loss** to property (other than satellites but including transmission and distribution lines) of the supplier of such service located within this Policy's Territory, that immediately prevents in whole or in part the delivery of such usable services.

This Coverage will only apply when the **Period of Service Interruption** exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay for the amount of loss in excess of the applicable deductible, but not more than the limit applying to this Coverage.

5.02.22.01. Exclusions 3.03.01, 02, and 3.03.04, do not apply to Off Premises Service Interruption Property Damage and Time Element Loss.

5.02.22.02. The following additional exclusion applies:

This Policy excludes direct physical loss or damage and Time Element loss directly or indirectly caused by or resulting from the interruption of such services, when such interruption is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.

5.02.23. PROFESSIONAL FEES

This Policy covers the actual costs incurred by the Insured, of reasonable fees paid to the Insured's accountants, architects, auditors, engineers, or other professionals and the cost of using the Insured's employees, for producing and certifying any details contained in the Insured's books or documents, or such other proofs, information or evidence required by the Company resulting from loss or damage payable under this Policy for which the Company has accepted liability.

This Coverage will not include the fees and costs of attorneys, **Public Adjusters**, and loss appraisers, all including any of their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them, nor the fees and costs of loss consultants who provide consultation on coverage or negotiate claims.

5.02.24. PROTECTION AND PRESERVATION OF PROPERTY

This Policy covers, up to the limit applying to this Coverage:

- 5.02.24.01. The reasonable and necessary costs incurred for actions to temporarily protect or preserve Covered Property; provided such actions are necessary due to actual or imminent physical loss or damage due to a **Covered Cause of Loss** to such Covered Property; and
- 5.02.24.02. The Gross Earnings loss or Gross Profit loss sustained by the Insured for a period of time not to exceed the hours listed in the Declarations prior to and after the Insured first taking reasonable action for the temporary protection and preservation of Covered Property.
- 5.02.24.03. This Coverage is subject to the deductible provisions that would have applied had the physical loss or damage occurred.

5.02.25. RADIOACTIVE CONTAMINATION

The Company will pay for direct physical loss of or damage to Covered Property at an Insured Location caused by sudden and accidental radioactive contamination, including resultant radiation damage, provided:

- 5.02.25.01. Radioactive contamination arises out of material at the Insured Location:
  - 5.02.25.01.01. Which is commonly known to be radioactive;
  - 5.02.25.01.02. Is used as part of the Insured's business activities; and
  - 5.02.25.01.03. There is neither a nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction, nor any new or used nuclear fuel which is intended for or which has been used in that type of nuclear reactor at the Insured Location.

5.02.26. RESEARCH AND DEVELOPMENT

The Company will pay for the fixed charges and fixed expenses (including **Ordinary Payroll**) actually incurred by the Insured directly attributable to the interruption of research and development project(s) after direct physical loss of or damage caused by a **Covered Cause of Loss** to research and development project(s) up to the limit applying to this Coverage.

- 5.02.26.01. Coverage starts when there is direct physical loss of or damage caused by a **Covered Cause of Loss** to research and development project(s) and ends the earlier of:
  - 5.02.26.01.01. The time period stated in the Declarations; or
  - 5.02.26.01.02. When the research and development project(s) has resumed.
- 5.02.26.02. This Policy will not pay for any other Time Element loss under this Coverage. Loss under this Coverage does not include any fixed charges and/or fixed expenses (including **Ordinary Payroll**) otherwise payable elsewhere in the Policy.

5.02.27. RESEARCH ANIMALS

The Company will pay for death of Research Animals and the Insured's reasonable and necessary costs incurred to research, replace or restore the animal lost to the condition that existed prior to the loss when caused by a **Covered Cause of Loss**, while anywhere within this Policy's Territory, including while in transit, when the loss is in excess of the amount stated in the Declarations. No deductible applies to this Coverage. This Coverage does not apply to loss of the Research Animals that cannot be replaced to the condition that existed prior to the loss.

5.02.27.01. The following additional exclusions apply:

5.02.27.01.01. Death or destruction from natural causes, unknown causes, medical procedures including surgery, inoculation, parturition, or abortion;

5.02.27.01.02. Errors or omission in processing and/or failure on the part of the Insured to provide nourishment, medicine or sanitary conditions;

5.02.27.01.03. **Contamination** of animal, food or medicine;

5.02.27.01.04. The intentional slaughter of animals;

5.02.27.01.05. Escape, unless directly resulting from a **Covered Cause of Loss**; or

5.02.27.01.06. Death or destruction resulting from activities of any animal, unless resulting from a **Covered Cause of Loss**.

5.02.28. SPOILAGE

In the event of spoilage of **Raw Materials, Stock in Process, Finished Stock or Merchandise**, caused by a sudden and accidental **Breakdown** of **Covered Equipment** or a part thereof, the Company will pay for such spoilage provided the **Raw Materials, Stock in Process, Finished Stock or Merchandise** is in storage or in the course of being manufactured.

5.02.29. TENANTS PROHIBITED ACCESS

The Company will pay for the actual Gross Earnings or Gross Profit loss sustained, as provided by this Policy, resulting from the necessary **Suspension** of the Insured's business activities at an Insured Location if access to that **Location** by the Insured's suppliers, customers or employees is physically obstructed due to the owner, landlord or a legal representative of the building owner or landlord, prohibiting access to the Insured Location. This Coverage will only apply when the period of time that access is prohibited exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay for the amount of loss in excess of the Policy Deductible, but not more than the limit applying to this Coverage.

5.02.29.01. The following additional exclusion applies:

This Policy excludes loss directly or indirectly caused by or resulting from prohibited access to the Insured Location, when such prohibited access is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the use of such **Location** regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.

5.02.30. TRANSIT

5.02.30.01. The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property while in transit within the coverage Territory and including:

5.02. 30.01.01. The Insured's interest in Free on Board (F.O.B) shipments, Free-Along-Side (F.A.S) shipments and Returned shipments. The Insured's contingent interest is admitted.

5.02. 30.01.02. The Insured's loss of property caused by fraud or deceit perpetrated by any person or persons who may represent themselves to be the proper party or parties to receive goods for shipment or accept goods for delivery.

5.02. 30.01.03. The Insured's legal liability as a carrier of lawful goods and merchandise by vehicles under bills of lading or shipping receipts issued by the Insured, while in the Insured's custody or in the custody of connecting carriers in transit.

5.02. 30.01.04. The Insured's interest in general average, salvage and other charges on shipments covered hereunder.

5.02. 30.01.05. The Insured is granted the privilege to ship under released or limited bills of lading or shipment receipts.

5.02. 30.02. The Policy also covers the actual Time Element loss sustained by the Insured, during the Period of Liability resulting from the necessary **Suspension** of the Insured's business activities at the destination Location, if the **Suspension** is caused by direct physical loss of or damage caused by a **Covered Cause of Loss** to such Property (other than **Finished Stock**).

The Company will pay for the reasonable and necessary extra expenses incurred by the Insured, during the Period of Liability, to resume and continue as nearly as practicable the Insured's normal business activities that otherwise would be necessarily suspended, due to direct physical loss of or damage caused by a **Covered Cause of Loss** to Property of the type insurable under this policy.

The Company will reduce the amount payable as extra expense by the fair market value remaining at the end of the Period of Liability for property obtained in connection with the above.

Extra expenses mean that amount spent to continue the Insured's business activities over and above the expenses the Insured would have normally incurred had there been no direct physical loss of or damage caused by a **Covered Cause of Loss** to Property of the type insurable under this policy. Extra expense does not include any Gross Earnings loss or Gross Profit loss, the cost of permanent repair or replacement of property that has suffered direct physical loss or damage, or expenses otherwise payable elsewhere in the Policy.

5.02. 30.03. Coverage starts when Covered Property is in or on the transporting vehicle and the vehicle leaves the originating Location and ends upon arrival at the destination Location and the goods are transferred to the custody and control of the consignee, warehouseman, or receiver.

5.02. 30.04. The Company will not pay for loss or damage to:

5.02. 30.04.01. Property while waterborne, except:

5.02. 30.04.01.01. While on the navigable inland waterways of a country;

5.02. 30.04.01.02. While on roll-on/roll-off ferries between countries; or

- 5.02. 30.04.01.03. While on coastal shipments.
- 5.02. 30.04.02. Property shipped by mail from the time it passes into custody of any governmental postal service;
- 5.02. 30.04.03. Property for sale while in the care, custody or control of the Insured's sales persons or representatives;
- 5.02. 30.04.04. Any conveyance used for property in transit;
- 5.02. 30.04.05. Property insured under any import or export ocean marine insurance; or
- 5.02. 30.04.06. Property under airborne shipment unless by regularly scheduled passenger airlines or air freight **Carriers**.
- 5.02. 30.05. If this Policy expires during the due course of transit, coverage is extended until the shipment is delivered to its final destination.

5.02.31. **VALUABLE PAPERS AND RECORDS**

The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to **Valuable Papers and Records** at an Insured Location. For all **Valuable Papers and Records**, the Company will pay for the value of the blank personal property, and the Insured's reasonable and necessary costs incurred to research, replace or restore the information lost or damaged thereon.

Except:

For **Electronic Data** and/or **Program (Software)**, the Company will pay for the value of the blank **Media**, and the cost of reproducing the **Electronic Data** and/or **Program (Software)** from duplicates or originals of the previous generation of the data.

This Coverage does not apply to loss or damage to property that cannot be repaired or restored with like kind or quality.

5.02.32. **NEW CONSTRUCTION AND ADDITIONS**

The Company will pay, up to the limit applying to this Coverage, for:

- 5.02.32.01. Direct physical loss of or damage to Property of the type insurable under this policy that is **New Construction or Additions**;
- 5.02.32.02. The actual Time Element loss sustained by the Insured arising out of the **Delay in Completion**; and
- 5.02.32.03. The Actual Loss Sustained incurred by the Insured as **Soft Costs** during such **Delay in Completion**.
- 5.02.32.04. The Coverage for Time Element will only apply when the **Delay in Completion** exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay up to the number of consecutive days stated in the Declarations after the **Qualifying Period**.
- 5.02.32.05. The following additional exclusion applies to coverage provided in **NEW CONSTRUCTION AND ADDITIONS**:

This Policy excludes direct physical loss or damage directly or indirectly caused by or resulting from the effects of rain, sleet, or snow, whether or not driven by wind, on the interior portion of buildings under construction or addition when the installation of the roof, walls or windows of such buildings has not been completed regardless of any other cause or event, whether or not otherwise insured under this Policy, contributing concurrently or in any other sequence to the loss.

5.02.33. **OFF PREMISES STORAGE FOR PROPERTY UNDER CONSTRUCTION**

This Policy covers direct physical loss or damage to property (of the type insurable under this Policy) caused by a **Covered Cause of Loss** that is under contract to be used in a construction project at an Insured Location. Coverage attaches at the time such property is delivered to the Insured or its contractor (with respect to the property under construction) by the manufacturer or supplier and such property is located at a storage site within this Policy's Territory but away from the Insured Location.

This Coverage includes necessary expendable materials and supplies to be used in the construction project but does not include any property owned or rented by the contractor.

5.03. **DESCRIBED CAUSES OF LOSS**

5.03.01. **BREAKDOWN OF EQUIPMENT**

The Company will pay for direct physical loss of or damage to **Covered Equipment**, Time Element loss and Special Coverages loss as provided by this Policy, if such loss or damage is caused by a sudden and accidental **Breakdown** of **Covered Equipment** or a part thereof, which manifests itself by physical damage at the time of its **Occurrence** and necessitates repair or replacement; subject to the terms and conditions set forth in this Policy, regardless of any other cause or event contributing concurrently or in any other sequence of loss.

All **Breakdown(s)** at any one Insured Location that manifest themselves at the same time and are the result of the same cause will be considered one **Breakdown**.

5.03.02. **EARTH MOVEMENT**

The Company will pay for direct physical loss of or damage to Covered Property, Time Element loss and Special Coverages loss as provided by this Policy, if such loss or damage is caused by **Earth Movement** regardless of any other cause or event contributing concurrently or in any other sequence of loss. However, ensuing physical loss or damage by fire, explosion, theft, vandalism, sprinkler leakage or **Flood** will not be considered loss by **Earth Movement** within the terms and conditions of this Policy.

All **Earth Movement** that occurs within the period defined in the Declarations will constitute a single **Occurrence**. The expiration of this Policy will not reduce that period. The Insured may elect the point in time when the period defined in the Declarations begins; but such point in time must not precede loss or damage to Covered Property.

5.03.03. **FLOOD**

The Company will pay for direct physical loss of or damage to Covered Property, Time Element loss and Special Coverages loss as provided by this Policy, if such loss or damage is caused by **Flood** regardless of any other cause or event contributing concurrently or in any other sequence of loss. However, ensuing physical loss or damage by fire, explosion, theft, vandalism or sprinkler leakage will not be considered to be loss by **Flood** within the terms and conditions of this Policy.

5.03.04.

**NAMED STORM**

The Company will pay for direct physical loss of or damage to Covered Property, Time Element loss and Special Coverages loss as provided by this Policy, if such loss or damage is caused by **Named Storm**; regardless of any other cause or event contributing concurrently or in any other sequence of loss. However, ensuing physical loss or damage by fire, explosion, theft, vandalism, sprinkler leakage or **Flood** will not be considered loss by **Named Storm** within the terms and conditions of this Policy.

All **Named Storm** damage that occurs within the period defined in the Declarations will constitute a single **Occurrence**. The expiration of this Policy will not reduce that period. The Insured may elect the point in time when the period defined in the Declarations begins; but such point in time must not precede loss or damage to Covered Property.

## SECTION VI –GENERAL POLICY CONDITIONS

### 6.01. CANCELLATION/NON-RENEWAL

#### 6.01.01. Cancellation

6.01.01.01. The **First Named Insured** shown in the Declarations may cancel this Policy by mailing or delivering to the Company advance written notice of cancellation.

6.01.01.02. The Company may cancel this Policy by mailing or delivering to the **First Named Insured** written notice of cancellation at least:

6.01.01.02.01. The number of days before the effective date of cancellation if the Company cancels for nonpayment of premium, as stated in the Declarations; or

6.01.01.02.02. The number of days before the effective date of cancellation if the Company cancels for any other reason, as stated in the Declarations.

6.01.01.03. The Company will mail or deliver notice to the **First Named Insured's** mailing address shown in the Declarations of this Policy or any Endorsement attached thereto.

6.01.01.04. Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

6.01.01.05. If this Policy is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels, the refund will be pro rata. If the **First Named Insured** cancels, the refund may be less than pro rata but no less than the customary short rate amount. The cancellation will be effective even if the Company has not made or offered a refund.

6.01.01.06. If notice is mailed, proof of mailing will be sufficient proof of notice.

6.01.01.07. If under the laws of the jurisdiction in which the property is located, such cancellation terms or conditions are different, then cancellation terms or conditions will be as permitted by such laws.

#### 6.01.02. Non-renewal

6.01.02.01. The Company may non-renew this Policy by mailing or delivering to the **First Named Insured** written notice, the number of days before the non-renewal, as permitted by law in the jurisdiction where in the property is located.

### 6.02. CERTIFICATES OF INSURANCE

Any certificate of insurance issued in connection with this Policy is provided solely as a matter of convenience or information for the addressee(s) or holder(s) of such certificate of insurance, except as provided under the Policy when a loss payee(s) or mortgagee(s) are named. The certificate does not amend, extend or alter the coverage afforded by the Policy.

In the event this policy is cancelled pursuant to the CANCELLATION/NON-RENEWAL provision, other than for nonpayment of premium, and except as provided otherwise, the Company shall endeavor to provide notice of cancellation to those entities set out in the certificates of insurance on file with the Company, as soon as practicable, after notifying the **First Named Insured**. However, in no event will failure to provide notice to entities set out in certificates of insurance waive the Company's right or ability to cancel the policy as allowed by law.

The Company hereby authorizes the Producer named on the Policy to issue certificates of insurance consistent with the foregoing.

### 6.03. CONCEALMENT, MISREPRESENTATION OR FRAUD

- 6.03.01. This Policy is void as to all Insureds in any case of fraud by any Insured as it relates to this Policy at any time. It is also void if any Insured, at any time, intentionally conceals or misrepresents a material fact concerning:
  - 6.03.01.01. This Policy;
  - 6.03.01.02. The Covered Property;
  - 6.03.01.03. The Insured's interest in Covered Property; or
  - 6.03.01.04. A claim under this Policy.

### 6.04. CONFORMITY TO STATUTES

Any provisions required by law to be included in policies issued by the Company shall be deemed to have been included in this Policy.

If the provisions of this Policy conflict with the laws of any jurisdictions in which this Policy applies, and if certain provisions are required by law to be stated in this Policy, this Policy shall be read so as to eliminate such conflict or deemed to include such provisions for Insured Locations within such jurisdictions.

### 6.05. CONTROL OF DAMAGED GOODS

In the event of direct physical loss of or damage caused by a **Covered Cause of Loss to Finished Stock or Merchandise** that carries the Insured's brand or trade name; this Policy gives control of the physically damaged property as follows, all subject to 6.05.05.

- 6.05.01. The Insured will have full rights to the possession, control and disposition of damaged property in the event of insured direct physical loss or damage to such property provided the Company agrees that the property is physically damaged.
- 6.05.02. The Insured, using reasonable judgment, will decide if the Insured can reprocess or sell the physically damaged property.
- 6.05.03. If the Company takes possession of property that carries the Insured's brand or trade name that has sustained direct physical loss or damage, the Company will pay for the Insured or the Insured representative to stamp "salvage", remove, or obliterate the brand, label or trade name on the property or its containers if doing so will not damage the property. In either event, the Insured must re-label such property or its containers to comply with any applicable law.
- 6.05.04. The salvage value of property that is claimed damaged shall be determined at the time of loss.
- 6.05.05. The Insured will allow the Company to deduct from the amount of loss otherwise payable, the fair market value of such salvage, which could have been obtained on any sale or other disposition of goods or products through normal insurance industry salvage practices.

6.06. CURRENCY FOR LOSS PAYMENT

- 6.06.01. Losses will be adjusted and paid in the currency designated in 2.02., unless directed otherwise by the Insured. In the event of a loss adjustment involving local currency, the exchange-selling rate will be calculated as follows:
  - 6.06.01.01. As respects the calculation of deductibles and Limits of Liability, the rate of exchange published in the Midwest Ed. of The Wall Street Journal on the date of settlement.
  - 6.06.01.02. As respects direct physical loss or damage to Real and Personal Property:
    - 6.06.01.02.01. The cost to repair or replace Real and Personal Property will be converted at the time the cost of repair or replacement is incurred based on the rate of exchange published in the Midwest Ed. of The Wall Street Journal on the date of settlement.
    - 6.06.01.02.02. If such property is not replaced or repaired, the conversion will be based on the rate of exchange published in the Midwest Ed. of The Wall Street Journal on the date of loss.
  - 6.06.01.03. As respects Time Element loss the conversion will be based on the average of the rate of exchange published in the Midwest Ed. of The Wall Street Journal on the date of loss and the rate of exchange published in the Midwest Ed. of The Wall Street Journal on the last day of the Period of Liability.
  - 6.06.01.04. If the Midwest Ed. of The Wall Street Journal was not published on the stipulated date, or the rate of exchange was not published on the stipulated date, the rate of exchanged will be as published on the next business day the rate is published.

6.07. INSPECTIONS AND SURVEYS

- 6.07.01. The Company has the right but not the obligation to make inspections and surveys at any time, to give the Insured reports on the conditions found, and to recommend changes.
- 6.07.02. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. The Company does not make safety inspections. The Company does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, nor does it represent that conditions are safe, healthful, or comply with laws, regulations, codes or standards.
- 6.07.03. This condition applies not only to the Company, but also to any rating, advisory, rate service or similar organization that makes insurance inspections, surveys, reports or recommendations.

6.08. JOINT LOSS

This clause applies only if all of the following requirements are met:

- 6.08.01. The **BREAKDOWN OF EQUIPMENT** Coverage is shown as NCP in the Declarations of this Policy and the **BREAKDOWN OF EQUIPMENT** Coverage carried by the Named Insured, insuring the Covered Property contains a similar Joint Loss provision with substantially the same requirements, procedures, and conditions as contained in this Policy.
- 6.08.02. The loss or damage to the Covered Property was caused by a **Covered Cause of Loss** for which both the Insurer(s) of the Property Coverage and the Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage admit to some liability for payment under the respective policies.

- 6.08.03. The total amount of loss is agreed to by the Insured, the Insurer(s) of the Property Coverage and the Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage.
- 6.08.04. The Insurer(s) of the Property Coverage and the Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage disagree as to the amount of loss that both should pay that is attributable to:
- 6.08.04.01. An accident covered under the **BREAKDOWN OF EQUIPMENT** Coverage; and
- 6.08.04.02. A **Covered Cause of Loss** under the Property Coverage.
- 6.08.05. If the requirements listed above are satisfied, the Insurer(s) of the Property Coverage and of the **BREAKDOWN OF EQUIPMENT** Coverage will make payments to the extent, and in the manner, described in the following:
- 6.08.05.01. The Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage will pay, after the Insured's written request, the entire amount of loss that they have agreed as being covered by **BREAKDOWN OF EQUIPMENT** Coverage and one-half (1/2) the amount of loss that is in disagreement.
- 6.08.05.02. The Insurer(s) of the Property Coverage will pay, after the Insured's written request, the entire amount of loss that they have agreed as being covered by the Property Coverage and one-half (1/2) the amount of loss that is in disagreement.
- 6.08.05.03. The amount in disagreement to be paid by the Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage and the Insurer(s) of the Property Coverage under this Joint Loss provision shall not exceed the amount payable under the equivalent loss adjustment provisions of the Insurer(s) of the Property Coverage and the **BREAKDOWN OF EQUIPMENT** Coverage.
- 6.08.06. The amount to be paid under this Joint Loss provision shall not exceed the amount that would have been paid had no Property Coverage or, in the alternative, no **BREAKDOWN OF EQUIPMENT** Coverage been in effect at the time of loss.
- 6.08.07. Acceptance by the Insured of sums paid under this Joint Loss provision does not alter, waive or surrender any other rights against the Insurer(s).
- 6.08.08. Additional Conditions:
- 6.08.08.01. The Insurer(s) of the Property Coverage and the Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage agree to submit their differences to arbitration within 90 days after payment of the loss under the terms of this Joint Loss provision.
- 6.08.08.02. The Insured agrees to cooperate with any arbitration procedures. There will be three arbitrators: one will be appointed by the Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage and the one will be appointed by the Insurer(s) of the Property Coverage. The two arbitrators will select a third arbitrator. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. A decision agreed to by two of the three arbitrators will be binding on both parties. Judgment on any award can be entered in any court that has jurisdiction. The Insurer(s) of the **BREAKDOWN OF EQUIPMENT** Coverage will pay their designated arbitrator and the Insurer(s) of the Property Coverage will pay their designated arbitrator. The Insurer(s) of the **BREAKDOWN OF EQUIPMENT** and the Insurer(s) of the Property Coverage will split the expense of the third arbitrator.

6.09. JURISDICTION

Any disputes arising hereunder will be exclusively subject to the jurisdiction of a court of competent jurisdiction within the USA.

6.10. LENDERS LOSS PAYEE AND MORTGAGE HOLDER INTERESTS AND OBLIGATIONS

6.10.01. When specified in the Policy or in Certificates of Insurance on file with the Company, the Company will pay for covered loss to property insured under this Policy to each:

6.10.01.01. Lender Loss Payee (hereinafter referred to as Lender) as its interest may appear, in order of precedence; or

6.10.01.02. Mortgagee as its interest may appear, in order of precedence.

6.10.02. The interest of the specified Lender or Mortgagee in property insured under this Policy will not be invalidated by:

6.10.02.01. Any act or neglect of any Insured.

6.10.02.02. Commencement of foreclosure, notice of sale, or similar proceedings with respect to the property.

6.10.02.03. Change in the title or ownership of the property.

6.10.02.04. Change to a more hazardous occupancy.

6.10.03. The Lender or Mortgagee will notify the Company of any known change in ownership, occupancy, or hazard and, within ten (10) days of written request by the Company, may pay the increased premium associated with such known change. If the Lender or Mortgagee fails to pay the increased premium, all coverage under this Policy will cease.

6.10.04. In the event of a claim, upon request of the Company, the Lender or Mortgagee will cooperate in any claim investigation.

6.10.05. If this Policy is cancelled at the request of the Insured or its agent, the coverage for the interest of the Lender or Mortgagee will terminate ten (10) days after the Company sends to the Lender or Mortgagee written notice of cancellation, unless:

6.10.05.01. Earlier terminated by authorization, consent, approval, acceptance, or ratification of the Insured's action by the Lender, Mortgagee, or its agent.

6.10.05.02. This Policy is replaced by the Insured, with a policy providing coverage for the interest of the Lender or Mortgagee, in which event coverage under this Policy with respect to such interest will terminate as of the effective date of the replacement policy, notwithstanding any other provision of this Policy.

6.10.06. The Company may cancel this Policy and/or the interest of the Lender or Mortgagee under this Policy, by sending the specified Lender or Mortgagee written notice sixty (60) days prior to the effective date of cancellation, if cancellation is for any reason other than non-payment of premium. If the Insured has failed to pay any premium due under this Policy, the Company may cancel this Policy for such non-payment, but will send the Lender or Mortgagee written notice ten (10) days prior to the effective date of cancellation. If the Lender or Mortgagee fails to pay the premium due by the specified cancellation date, all coverage under this Policy will cease.

- 6.10.07. The Company has the right to invoke this Policy's Suspended Property clause. When the Company suspends the insurance, it will apply to the interest of any Lender or Mortgagee. The Company will send the specified Lender or Mortgagee, at the last known address, a copy of such notice.
- 6.10.08. If the Company pays a Lender or Mortgagee for any loss, and denies payment to the Insured, the Company will, to the extent of the payment made to the Lender or Mortgagee be subrogated to the rights of the Lender or Mortgagee under all securities held as collateral. No subrogation will impair the right of the Lender or Mortgagee to recover the full amount of its claim. At its option, the Company may pay to a Lender or Mortgagee the whole principal due on the debt or mortgage plus any accrued interest and charges. In this event, all rights and securities will be assigned and transferred from the Lender or Mortgagee to the Company, and the remaining debt or mortgage will be paid to the Company.
- 6.10.09. If the Insured fails to render proof of loss, the Lender or Mortgagee, upon notice of the Insured's failure to do so, will render proof of loss within sixty (60) days of notice and will be subject to the Insured's duties, obligations and provisions of this Policy when presenting a claim.
- 6.10.10. In no event will the amount payable to a Lender or Mortgagee exceed the amount which would be payable to the Named Insured.

## 6.11. LIBERALIZATION

If during the period that insurance is in force under this Policy, any filed rules or regulations are revised by statute so as to broaden this insurance without additional premium charge, such extended or broadened insurance will inure to the benefit of the Insured within such jurisdiction, effective the date of the change specified in such statute.

## 6.12. LOSS ADJUSTMENT/PAYABLE

Loss, if any, will be adjusted with and payable to the **First Named Insured** as shown on this Policy, or as directed by the **First Named Insured**.

When a Lender or Mortgagee is named in the Certificates of Insurance on file with the Company, the Lender or Mortgagee will be included in loss payment as their interests may appear.

When a Loss Payee is named in the Certificates of Insurance on file with the Company, the loss payee will be included in loss payments made to the insured as their interests may appear. The loss payee has no other rights under the policy.

## 6.13. LOSS CONDITIONS

### 6.13.01. DUTIES IN THE EVENT OF LOSS OR DAMAGE

The Insured must see that the following are done in the event of direct physical loss or damage to Covered Property:

- 6.13.01.01. Notify the police if a law may have been broken.
- 6.13.01.02. Give the Company prompt notice of the loss or damage. Include a description of the property involved.
- 6.13.01.03. As soon as possible, give the Company a description of how, when and where the loss or damage occurred.

- 6.13.01.04. Take all reasonable steps to protect the Covered Property from further damage caused by a **Covered Cause of Loss**. If feasible, set the damaged property aside and in the best possible order for examination. Also, keep a record of expenses for emergency and temporary repairs for consideration in the settlement of the claim. This will not increase the Limit of Liability.
- 6.13.01.05. At the Company's request, provide a complete inventory of the damaged and undamaged property, including quantities, costs, values and amount of loss claimed.
- 6.13.01.06. As often as reasonably required, permit the Company to inspect the property and records evidencing the loss or damage, including taking some or all of damaged and undamaged property for inspection, testing and analysis, and permit the Company to make copies of the Insured's books and records.
- 6.13.01.07. Permit the Company to question the Insured, the Insured's employees and agents under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the loss or damage, including an Insured's books and records. In the event of this examination, an Insured's answers must be signed or attested to by a notary public or certified court reporter.
- 6.13.01.08. Give the Company a signed sworn statement of loss containing the information necessary to investigate the claim. If requested by the Company, the Company will supply the necessary form and the Insured must return this completed form within sixty (60) days of the request or as required by law.
- 6.13.01.09. Cooperate with the Company in the investigation or settlement of the claim.

6.13.02. ABANDONMENT

There may be no abandonment of any property to the Company.

6.13.03. SUBROGATION

The Insured is required to cooperate in any subrogation proceedings. To the extent of the Company's payment, the Insured's rights of recovery against any party are transferred to the Company.

The Company acquires no rights of recovery that the Insured has expressly waived prior to a loss, nor will such waiver affect the Insured's rights under this Policy.

Any recovery from subrogation proceedings, less costs incurred by the Company in such proceedings, will be payable to the Insured in the proportion that the amount of any applicable deductible and/or any provable uninsured loss, bears to the entire provable loss amount.

6.13.04. APPRAISAL

If the Insured and the Company fail to agree on the value of the property or the amount of loss, each will, on the written demand of either, select a competent, disinterested, and impartial appraiser, who has no direct or indirect financial interest in the claim. Each will notify the other of the appraiser selected within 20 days of such demand. The Insured may not invoke appraisal unless it has first fully complied with all provisions of this Policy, including Duties in the Event of Loss or Damage and has provided the Company with a signed and sworn statement of loss.

The appraisers will first select a competent, disinterested and impartial umpire. If the appraisers fail to agree upon an umpire within 15 days then, on the request of the Insured or the Company, a judge of a court of record in the jurisdiction in which the appraisal is pending will select the umpire. The

appraisers will then appraise the value of the property or the amount of loss. They will state separately, the actual cash value and replacement cost value, as of the date of loss and the amount of loss, each item of physical loss or damage or, if for Time Element loss, the amount of loss for each Time Element Coverage of this Policy.

If the appraisers fail to agree, they will submit their differences to the umpire. An award stating separately the actual cash value and replacement cost value, as of the date of loss and the amount of loss, for each item of physical loss or damage or, if for Time Element loss, the amount of loss for each Time Element Coverage of this Policy agreed to in writing by any two will determine the amount of loss.

Once there is an award, the Company retains the right to apply all policy terms and conditions (including but not limited to deductibles, exclusions, and Limits of Liability) to the award. The Company further retains its right to deny the claim in whole or in part.

The Insured and the Company will each pay its chosen appraiser and bear equally the other expenses of the appraisal and umpire.

6.13.05. SUIT AGAINST THE COMPANY

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless the Insured has fully complied with all the provisions of this Policy. Legal action must be started within (12) twelve months after the date of direct physical loss or damage to Covered Property or to other property as set forth herein.

If under the laws of the jurisdiction in which the property is located, such twelve months' limitation is invalid, then any such legal action needs to be started within the shortest limit of time permitted by such laws.

6.14. NO REDUCTION BY LOSS

Loss or damage shall not reduce the amount of insurance recoverable, except where an **Annual Aggregate** applies. The reinstatement of any exhausted **Annual Aggregate** is not permitted unless authorized by the Company in writing.

6.15. OTHER INSURANCE

Insurance that is intended to pay proportionally with this insurance as a part of a property insurance plan or program expressly written with other participants is not other insurance as described below..

6.15.01. The Company will not be liable if, at the time of loss or damage, there is any other insurance that would attach in absence of this insurance; except that this insurance shall apply only as excess, Difference in Conditions/Difference in Limits and in no event as contributing insurance, and then only after all other insurance has been exhausted.

6.15.02. The Company gives the Insured permission to purchase insurance for all or any part of the deductibles in this Policy, and the existence of underlying insurance shall not prejudice the Insured's rights under this Policy.

6.15.02.01. The deductible and any amount paid under such insurance that would be covered under this Policy, shall apply to the deductible that would apply in this Policy.

6.15.02.02. This Policy shall then apply on an excess, Difference in Conditions/Difference in Limits basis.

- 6.15.03. The Insured can purchase excess insurance commencing on or after the inception of this Policy that is specifically excess over the Limits of Liability set forth in this Policy without prejudice to this Policy and the existence of such insurance shall not reduce any liability under this Policy.
- 6.15.04. The Company will not be liable if, at the time of loss or damage, there is any insurance with NFIP; except that this insurance shall apply only as excess and in no event as contributing insurance, and then only after all NFIP insurance has been exhausted.
- 6.15.05. The Company will not be liable if, at the time of loss or damage, there is any insurance for **New Construction and Additions** under a specific policy for such New Construction and Additions; except that this insurance shall apply only as excess and in no event as contributing insurance, and then only after all specific insurance has been exhausted.
- 6.15.06. The Company will not be liable if, at the time of loss or damage, there is any insurance for stock under a specific policy for such stock; except that this insurance shall apply only as excess and in no event as contributing insurance, and then only after all specific insurance has been exhausted.

6.16. **POLICY MODIFICATION**

- 6.16.01. This Policy contains all of the agreements between the Insured and the Company concerning this insurance. The Insured and the Company may request changes to this Policy. Only endorsements issued by the Company and made a part of this Policy can change this Policy.
- 6.16.02. Notice to any agent or knowledge possessed by any agent or by any other person will not create a waiver or change any part of this Policy or prevent the Company from asserting any rights under the Policy.

6.17. **PRIVILEGE TO ADJUST WITH OWNER**

In the event of loss or damage involving Property of Others in your care, custody or control, we have the right, but not the duty to:

- 6.17.01. Settle the loss or damage with the owners of the Property.
- 6.17.02. Provide a defense for legal proceedings brought against the Insured. If provided, the expense for this defense will be at the Company's cost and will not reduce any applicable limit of insurance.

6.18. **SETTLEMENT OF CLAIMS**

6.18.01. **Loss Payment**

- 6.18.01.01. In the event of loss or damage to Covered Property, the Company will, at its option, either:
  - 6.18.01.01.01. Pay the value of lost or damaged property;
  - 6.18.01.01.02. Pay the cost of repairing or replacing the lost or damaged property;
  - 6.18.01.01.03. Take all or any part of the property at any agreed valuation; or
  - 6.18.01.01.04. Repair, rebuild or replace the property with other property of like kind and quality.
- 6.18.02. The Company will give notice of its intentions within thirty (30) days after receiving the sworn statement of loss or as required by law.
- 6.18.03. The Company will not pay more than the Insured's financial interest in the Covered Property.

6.18.04. The Company will pay for covered loss or damage within thirty (30) days or as required by law, after receiving the sworn statement of loss, if the Insured has complied with all the terms of this Policy; and

6.18.04.01. The Company has reached agreement on the amount of loss; or

6.18.04.02. An appraisal award has been made, subject to 6.13.04.

6.18.05. Priority of Payment

In the event of a claim that involves more than one interest and/or coverage and/or peril; the insured has the option to apportion recovery under this Policy when submitting final proof of loss, subject to the overall amount of claim not exceeding the applicable limit of liability and subject to all other terms and conditions of the policy.

For the purpose of attachment of coverage for excess layers, claims involving any interest and/or peril covered in the primary or underlying excess layers, but not covered in higher excess layers, will be recognized by such excess layers as eroding or exhausting the occurrence limits of the primary and/or underlying excess layer(s). Nothing, however, will extend coverage in such layers(s) to include loss from any interest and/or peril not covered in the excess layer(s) itself.

## 6.19. SUSPENDED PROPERTY

When Covered Property is found to be in, or exposed to, a dangerous condition, any of the Company's representatives may immediately suspend this insurance for that property. This can be done by delivering or mailing a written notice to the First Named Insured's mailing address or to the address where the Covered Property is located. Once suspended, this insurance can be reinstated only by an endorsement. Any unearned premium due will be returned by the Company.

## 6.20. TITLES

The titles of the various paragraphs and endorsements are solely for reference and shall not in any way affect the provisions to which they relate.

## 6.21. TRANSFER OF RIGHTS AND DUTIES

The Insured rights and duties under this Policy may not be transferred without the Company giving written consent.

## 6.22. VALUATION

In the event of any claim for direct physical loss of or damage to Covered Property:

6.22.01. The basis of adjustment is on a replacement cost basis unless a specific valuation applies. Replacement Cost shall be the cost to repair, rebuild or replace the damaged property (without deduction for depreciation) with materials of like kind, quality and capacity at the same or another site, but no more than the lesser of:

6.22.01.01. The cost to repair;

6.22.01.02. The cost to rebuild or replace on the same or another site with materials of equivalent size, kind, quality and capacity;

6.22.01.03. The necessary cost actually expended in repairing, rebuilding or replacing on the same or another site, but not exceeding the operating capacity that existed at the time of the loss; or

- 6.22.01.04. The Limits of Liability applicable to the lost or damaged property.
- 6.22.02. If there is direct physical loss of or damage to Covered Property for which repair, rebuilding or replacement has not started within two (2) years from the date of direct physical loss or damage, the Company will not be liable for more than the actual cash value of the property destroyed.
- 6.22.03. The Company, will pay the reduction in value of insured components or parts of products directly resulting from physical loss or damage caused by a **Covered Cause of Loss** to other insured components or parts of products, or part of a pair or set as follows:
- 6.22.03.01. In case of loss or damage to any components or parts of products, or part of a pair or set, the Company will at its option:
- 6.22.03.01.01. Pay the cost of repairing or replacing any part to restore the components or parts of products, pair or set to its value before the loss or damage;
- 6.22.03.01.02. Repair or replace any part to restore the components or parts of products, pair or set to its value before the loss or damage; or
- 6.22.03.01.03. Pay the difference between the value of the components or parts of products, pair or set before and after the loss or damage.
- 6.22.03.02. If settlement is based on a constructive total loss, the Insured will surrender the undamaged parts of such property to the Company.
- 6.22.04. The following property shall be valued as specified below
- 6.22.04.01. For **Raw Materials** and supplies, the replacement cost.
- 6.22.04.02. For **Stock in Process**, the value of **Raw Materials** and labor expended plus the proportion of overhead charges attributable to that **Stock in Process**.
- 6.22.04.03. For **Finished Stock** manufactured by the Insured, the valuation as stated in the Declarations. If valued at **Selling Price**, this Policy will also pay the increased tax liability incurred by the Insured due to the profit portion of a loss payment involving **Finished Stock** being greater than the tax liability of the profits that would have been earned had no loss occurred.
- 6.22.04.04. For **Merchandise** that carries the Insured's brand or trade name, the valuation as stated in the Declarations.
- 6.22.04.05. For all other **Merchandise**, the valuation as stated in the Declarations.
- 6.22.04.06. For **Fine Arts** articles, the lesser of the reasonable and necessary cost to repair or restore such property to the physical condition that existed on the date of loss or the cost to replace the article or the value if stated on a schedule on file. If the **Fine Arts** article cannot be replaced and an appraisal is not available, the valuation shall be market value based on prevailing conditions at the time of loss or damage.
- 6.22.04.07. For property covered under Deferred Payments, the lesser of the total amount of unpaid installments less finance charges or the actual cash value of the property at the time of loss or the cost to repair or replace with material of like size, kind and quality.
- 6.22.04.08. The selling price of buildings (or structures) or machinery and equipment, other than stock, offered for sale on the date of loss, but no more than the cost to repair or replace.

- 6.22.04.09. The cost to replace non-repairable electrical or mechanical equipment, including computer equipment, with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages, represents an improvement in function, or forms part of a program of system enhancement.
- 6.22.04.10. **Improvements and Betterments** at replacement cost if such property is repaired or replaced at the expense of the insured. If there is direct physical loss of or damage to **Improvements and Betterments** which are not repaired, rebuilt or replaced at the expense of the insured, the Company will not be liable for more than a proportion of the original cost determined as follows:
- 6.22.04.10.01. Multiply the original cost of the **Improvements and Betterments** by the number of days from the loss or damage to the expiration of the lease; and
- 6.22.04.10.02. Divide the amount determined in 6.22.04.10.01. by the number of days from the installation of the **Improvements and Betterments** to the expiration of the lease.
- 6.22.04.10.03. If the lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
- 6.22.04.11. For property that is useless to the Insured or obsolete, the actual cash value.
- 6.22.04.12. For vehicles, the valuation as stated in the Declarations.
- 6.22.04.13. The Insured may elect not to repair or replace such damaged Covered Property, however, if loss settlement proceeds are expended on other capital expenditures, on property of the type insurable under this policy, related to the business activities of the Insured within two years from the date of loss, the lesser of the repair or replacement cost of such property will be paid. As a condition of collecting under this clause, such expenditure must be unplanned as of the date of loss and be made at a **Scheduled Location**. This clause does not extend to Increased Cost of Construction.

## SECTION VII - DEFINITIONS

The following term(s) wherever used in this Policy means:

- 7.01. **Ammonia Contamination** - The loss or damage, including salvage expense, caused by ammonia contacting or permeating Covered Property under refrigeration or in process requiring refrigeration, as the result of any one accident.
- 7.02. **Annual Aggregate** - The maximum amount of loss or damage payable in any one (1) **Policy Year** regardless of the number of **Occurrences** within the same policy year.
- 7.03. **Anticipated Date of Completion** - The date on which the work is scheduled to be completed, as stated in the construction contract or amendments to such contract, for the start of commercial operations or use and occupancy.
- 7.04. **Attraction Properties** - A property within the distance described in the declarations of an Insured Location that attracts customers to the Insured's business.
- 7.05. **Average Daily Value (ADV)** - The 100% Gross Earnings value or 100% Gross Profit value at the **Location(s)** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues for the Policy Period divided by the number of working days in the Policy period.
- 7.06. **Breakdown -**
- 7.06.01. A failure of pressure or vacuum equipment;
- 7.06.02. An electrical failure including arcing; or
- 7.06.03. A mechanical failure including rupture or bursting caused by centrifugal force.
- 7.06.04. 7.06.01., 7.06.02., 7.06.03. includes an explosion to a steam boiler, electric steam generator, steam piping, steam turbine, steam engine, gas turbine, or moving or rotating machinery when such explosion is caused by centrifugal force or mechanical failure; but not the explosion of gases or fuel within the furnace of any **Covered Equipment** or within the flues or passages through which the gases of combustion pass; nor combustion explosion outside the **Covered Equipment**.
- 7.06.05. **Breakdown** does not mean or include:
- 7.06.05.01. Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
- 7.06.05.02. Defects, erasures, errors, limitations or viruses in computer equipment and programs;
- 7.06.05.03. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- 7.06.05.04. Damage to any vacuum tube, gas tube or brush;
- 7.06.05.05. Damage to any structure or foundation supporting any **Covered Equipment** or any of its parts;
- 7.06.05.06. Functioning of any safety or protective device; or
- 7.06.05.07. Cracking of any part on an internal combustion gas turbine exposed to the products of combustion.

- 7.07. **Carrier** - Contract or public truck men and motor transit companies or connecting carriers.
- 7.08. **Computer Virus** - Any **Software**, **Electronic Data** or code that affects the operation or functionality of any computer, communication system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, **Program**, Computer **Software** or operating systems, programming instructions, or data including, but not limited to any destructive **Program**, computer code, **Computer Virus**, worm, logic bomb, denial of service attack, smurf attack, vandalism, Trojan Horse or any other data introduced into any electronic system causing deletion, destruction, degradation, corruption, malfunction or compromise of **Electronic Data**, **Software** or electronic business systems.
- 7.09. **Contamination(Contaminated)** - Any condition of property due to the actual presence of any foreign substance, impurity, pollutant, hazardous material, poison, toxin, pathogen or pathogenic organism, bacteria, virus, disease causing or illness causing agent, **Fungus**, mold or mildew.
- 7.10. **Contaminant(s)** - Any solid, liquid, gaseous, thermal or other irritant, pollutant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste (including materials to be recycled, reconditioned or reclaimed), asbestos, ammonia, other hazardous substances, **Fungus** or **Spores**.
- 7.11. **Covered Cause of Loss** - All risks of direct physical loss of or damage from any cause unless excluded.
- 7.12. **Covered Equipment** - Any boiler fired pressure vessel, unfired vessel normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning systems, any metal piping and its accessory equipment, and mechanical, or electrical machines or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, not otherwise excluded as Covered Property.
- 7.12.01 **Covered Equipment** does not include any of the following:
- 7.12.01.01. Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
- 7.12.01.02. Insulating or refractory material, but not excluding the glass lining of any **Covered Equipment**;
- 7.12.01.03. Non-metallic pressure or vacuum equipment unless it is constructed and used in accordance with the American Society of Mechanical Engineers (ASME) code or another appropriate and approved code;
- 7.12.01.04. Catalyst;
- 7.12.01.05. Vessels, piping and other equipment that is buried below ground and requires the excavation of materials to inspect, remove, repair or replace;
- 7.12.01.06. Vehicle, aircraft, self-propelled equipment of floating vessel including any Covered Property (equipment) that is mounted upon or used solely with any one or more Vehicle(s), aircraft, self-propelled equipment or floating vessel;
- 7.12.01.07. Drag-line, excavation or construction equipment including any Covered Property or **Covered Equipment** that is mounted upon or used solely with any one or more drag-lines, excavation, or construction equipment;

- 7.12.01.08. Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
- 7.12.01.09. Equipment or any part of such equipment manufactured by the Insured for sale.
- 7.13. **Daily Value (DV)** - The 100% Gross Earnings value or 100% Gross Profit value at the **Location(s)** where the direct physical loss or damage occurred and all other **Locations** where Time Element loss ensues, for the Period of Liability divided by the number of working days in such Period of Liability.
- 7.14. **Delay in Completion** - The period of time between the **Anticipated Date of Completion** and the actual date on which commercial operations or use and occupancy can commence with the exercise of due diligence and dispatch.
- 7.15. **Described Cause(s) of Loss - Breakdown** of Equipment, **Earth Movement, Flood, or Named Storm.**
- 7.16. **Direct Dependent Time Element Location -**
- 7.16.01. Any **Location** of a direct: customer, supplier, contract manufacturer or contract service provider to the Insured;
- 7.16.02. Any **Location** of any company under a royalty, licensing fee or commission agreement with the Insured.
- 7.16.03. A **Direct Dependent Time Element Location** does not include Locations that are Insured Locations under this Policy or the Locations of any company directly or indirectly supplying to, or receiving from, the Insured, electricity, fuel, gas, water, steam, refrigeration, sewage, voice, data or video.
- 7.17. **Earth Movement** - Any **Earth Movement** including earthquake, landslide, mine subsidence, earth sinking, rising, shifting, or sinkhole collapse.
- 7.18. **Electronic Data** - Data of any kind that is recorded or transmitted in a form usable in electronic computer systems or networks, microchips, integrated circuits or similar devices in non-computer equipment, and which can be stored on **Media** for use by **Programs**.
- 7.19. **Fine Arts** - Includes, but is not limited to, bona fide works of art, works of rarity, works of historical values, works of artistic merit, photographs (positives and negatives), lithographs, illustrations, gallery proofs, original records, and similar property.
- 7.20. **Finished Stock** – Stock, which is ready for sale by the Insured, that is manufactured:
- 7.20.01. By the Insured; or
- 7.20.02. Under the Insureds' direction and to the Insureds' specifications.
- 7.20.03. For the purposes of the Gross Earnings and the Gross Profit Coverage only:
- 7.20.03.01. **Finished Stock** also includes whiskey and alcoholic products being aged.
- 7.20.03.02. **Finished Stock** does not include stock that is held for sale at any retail outlet insured under this Policy or that has been sold, that is manufactured:
- 7.20.03.02.01. By the Insured; or
- 7.20.03.02.02. Under the Insureds' direction and to the Insureds' specifications.

- 7.21. **First Named Insured** - The First Insured listed under Named Insured.
- 7.22. **Flood** - A general and temporary condition of partial or complete inundation of normally dry land areas or structure(s) caused by:
- 7.22.01. The unusual and rapid accumulation or runoff of surface waters, waves, tides, tidal waves, tsunami, the release of water, the rising, overflowing or breaking of boundaries of nature or man-made bodies of water; or the spray there from all whether driven by wind or not;
- 7.22.02. Mudflow or mudslides caused by accumulation of water on or under the ground.
- 7.22.03. **Flood** also includes the backup of water from a sewer, drain or sump caused in whole or part by **Flood**.
- 7.22.04. **Flood** also includes **Storm Surge** if shown on the declarations as part of **Flood**.
- 7.23. **Fungus (or Fungi)** - Any form of fungus including, but not limited to, yeast, mold, mildew, rust, smut, mushroom, spores, mycotoxins, odors, or any other substances or gases, products or byproducts produced by, released by, or arising out of the current or past presence of **Fungi**.
- 7.24. **Improvements and Betterments** - Fixtures, alterations, installation or additions comprising part of a building occupied, but not owned by the Insured and acquired or made at the Insured's expense which the Insured cannot legally move.
- 7.25. **Indirect Dependent Time Element Location** -
- 7.25.01. Any **Location** of a company that is a direct: customer, supplier, contract manufacturer or contract service provider to a **Direct Dependent Time Element Location**; or
- 7.25.02. Any **Location** of a company that is an indirect: customer, supplier, contract manufacturer or contract service provider to a **Direct Dependent Time Element Location**.
- 7.25.03. An **Indirect Dependent Time Element Location** does not include Locations that are Insured Locations under this Policy or the Locations of any company directly or indirectly supplying to, or receiving from, the **Direct Dependent Time Element Location**, electricity, fuel, gas, water, steam, refrigeration, sewage, voice, data or video.
- 7.26. **Land Improvements** - Lawns, plants, shrubs or trees; pavements, roadways, sidewalks or similar works, but not including any fill or land beneath such property.
- 7.27. **Lease Interest** - The excess rent paid for the same or similar replacement property over actual rent otherwise payable had there been no loss or damage, plus cash bonuses or advance rent paid (including any maintenance or operating charges) for each month during the unexpired term of the lease.
- 7.28. **Location** -
- 7.28.01. As specified in the Schedule of Locations;
- 7.28.02. If not so specified in the Schedule of Locations:
- 7.28.02.01. a **Location** is a building(s) bounded on all sides by public streets, clear land space or open waterways, each not less than fifty feet wide;
- 7.28.02.02. A site or tract of land occupied or available for occupancy with tangible property; or
- 7.28.03. If the Insured is a tenant,

- 7.28.03.01. those portions of the building not rented by the Insured; or
- 7.28.03.02. those portions of the building not intended to be rented by the Insured or others.
- 7.29. **Media** - Tangible personal property on which **Electronic Data** or **Programs** can be recorded, but not the **Data** or **Programs** themselves. **Money** or **Securities** are not **Media**.
- 7.30. **Merchandise** - Goods kept for sale by the Insured which are not **Raw Stock**, **Stock in Process** or **Finished Stock**.
- 7.31. **Miscellaneous Unnamed Location** - A **Location** owned, leased or rented by the Insured, but not specified in the Schedule of Locations.
- 7.32. **Moderate Flood Hazard Area** - Is an area defined by FEMA or any foreign equivalent, between the limits of the base flood and the 0.2-percent-annual-chance or 500-year flood. A **Moderate Flood Hazard Area** is shown on the FIRM per FEMA and includes but is not limited to Zone B or Zone X (shaded). If not defined by FEMA or any foreign equivalent, it is an area between the limits of the base flood and the 0.2-percent-annual-chance or 500-year flood.
- 7.33. **Money** - Currency, coins and bank notes whether or not in current use; travelers checks, register checks and money orders held for sale to the public.
- 7.34. **Named Storm** - Any storm or weather disturbance that is named by the U. S. National Oceanic and Atmospheric Administration (NOAA) or the U. S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent.  
**Named Storm** also includes **Storm Surge** if shown on the declarations as part of **Named Storm**.
- 7.35. **NCP** - No Coverage Provided
- 7.36. **Net Lease Interest** - That sum which placed at six percent (6%) interest compounded annually would equal the **Lease Interest** (less any amounts otherwise payable).
- 7.37. **New Construction or Additions** - Additional square footage beyond what existed and was usable for the Insured's business activities as of the inception of the policy period.
- 7.38. **Occurrence** - All loss(es) or damage that is attributable directly or indirectly to one cause or a series of similar or related causes. All such loss(es) or damage will be treated as one **Occurrence**. However, if **Occurrence** is specifically defined anywhere in this Policy, that definition will apply to the applicable coverage provided.
- 7.39. **Operations** - The Insured's business activities at the Insured Location.
- 7.40. **Ordinary Payroll** - Payroll expenses for all employees except officers, executives, department managers, employees under contract, and other important professional employees. Payroll expenses include the payroll, employee benefits (if directly related to payroll), FICA payments, Union dues and Workers' Compensation premiums the Insured pays for.
- 7.41. **Period of Interruption** - The period starting when the Insured's Electronic Data Processing Equipment or **Media** fails to operate and ending when with due diligence and dispatch, the Insured's Electronic Data Processing Equipment or **Media** could be restored to the same or equivalent operating condition that existed prior to the failure. The Period of Interruption does not include the additional time to make changes to the Insured's Electronic Data Processing Equipment or **Media**.

- 7.42. **Period of Service Interruption** - The period starting when an interruption of a specified service occurs and ending when with due diligence and dispatch, the service could be restored to the same or equivalent operating condition that existed prior to the failure.
- 7.43. **Policy Year** - The (12) twelve consecutive months after the date coverage begins on this Policy.
- 7.44. **Program (Software)** - Any computer software, computer applications, or recorded instructions, whether digital or otherwise, for the processing, sequencing, collecting, transmittal, recording, retrieval or storage of **Electronic Data**.
- 7.45. **Public Adjusters** - Individuals or groups, including consultants, secured specifically for the purpose of representing the Insured's interest in the adjustment of a claim(s) under this Policy.
- 7.46. **Qualifying Period** - The continuous period of time expressed in hours or days which must be exceeded before coverage under this Policy begins.
- 7.47. **Raw Stock (or Raw Material)** - Materials in the state in which the Insured receives it for conversion into stock in process or **Finished stock**.
- 7.48. **Scheduled Location** - A **Location** scheduled on this Policy.
- 7.49. **Securities** - Negotiable and non-negotiable instruments or contracts representing either **Money** (but does not include **Money**) or other property and includes:
- 7.49.01. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- 7.49.02. Evidences of debt issued in connection with credit or charge cards, which are not issued by the Insured.
- 7.50. **Selling Price** - The regular cash selling price at the **Location** where the loss occurs, less all discounts, pilferage, waste, returns and charges to which the **Finished Stock** and **Merchandise** would have been subject had no loss occurred.
- 7.51. **Soft Costs** - Expenses which are necessarily incurred during the Period of Liability, that would not have been incurred if the **Delay in Completion** had not occurred, at **Locations** undergoing renovation or in the course of construction, limited to the following:
- 7.51.01. Construction loan fees -The additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction, including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.
- 7.51.02. Commitment fees, leasing and marketing expenses - The additional cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).
- 7.51.03. Additional fees – The additional cost for: architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.
- 7.51.04. Carrying costs – The additional cost of: property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.
- 7.52. **Special Flood Hazard Area (SFHA)** - Is an area defined by FEMA or any foreign equivalent that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to by FEMA as the base flood or 100-year

flood. **SFHA**'s per FEMA include but are not limited to Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. If not defined by FEMA or any foreign equivalent, it is an area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year.

- 7.53. **Spores** - Any reproductive body produced by or arising out of any **Fungus** (or **Fungi**).
- 7.54. **Stock in Process - Raw Stock** (or material) which has undergone any aging, seasoning, mechanical or other process of manufacture at the Insured Location, but which has not become **Finished Stock**.
- 7.55. **Storm Surge** - A general and temporary condition of partial or complete inundation by salt water, caused by wind driven waves that result from a **Named Storm**, of normally dry land areas or structure(s) in coastal areas, bays or inland waters connected to an ocean or sea.
- 7.56. **Suspension (Suspended) -**
- 7.56.01. The slowdown or cessation of the Insured's business activities: or
- 7.56.02. As respects rental income that a part or all of the Insured Location is rendered untenable.
- 7.57. **Terrorist Activity** - Any activity:
- 7.57.01. Defined as **Terrorist Activity** under the laws of the place where it is committed, or
- 7.57.02. Which involves any of the following:
- 7.57.02.01. The hijacking or sabotage of any conveyance (including an aircraft, vessel, or vehicle).
- 7.57.02.02. The seizing or detaining of, or threatening to kill, injure or continue to detain any person in order to compel a third person (including a governmental organization ) to do or abstain from doing any act as an explicit or implicit condition for the release of the individual seized or detained.
- 7.57.02.03. A violent attack upon an internationally protected person (as defined in section 1116(b)(4) of title 18, United States Code) or upon the liberty of such a person.
- 7.57.02.04. An assassination.
- 7.57.02.05. The use of any biological agent, chemical agent, or nuclear weapon or device, explosive or firearm (other than for mere personal monetary gain), with intent to endanger, directly or indirectly, the safety of one or more individuals or to cause damage to property.
- 7.57.02.06. A threat, attempt, or conspiracy to do any of the foregoing.
- 7.57.02.07. Any act or acts deemed or declared by any government official, law enforcement agency, intelligence agency or other public authority to be terrorism or a terrorist act(s).
- 7.58. **Valuable Papers and Records** - Inscribed or printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps, mortgages, prints and tracings, card index systems, files, tapes, discs, drums, cells, magnetic recordings or storage **Media** for electronic data processing, **Electronic Data, Program(Software)**; but **Valuable Papers and Records** does not mean **Money** or **Securities**.



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## Appendix A - Earth Movement/Earthquake Zones for USA including its Commonwealths and Territories

This list is for informational purposes only and does not convey any coverage under the policy.

COUNTRY - The United States of America		
STATE	ZONE	COUNTIES/PARISHES/INDEPENDENT CITIES
ALABAMA	3	Colbert, Franklin, Lauderdale, Lawrence, Limestone, Morgan
	4	Balance of State
ALASKA	1	Balance of State
	2	North Slope
ARIZONA	4	Entire State
ARKANSAS	1	Clay, Craighead, Crittenden, Cross, Greene, Lee, Mississippi, Poinsett, St Francis
	2	Independence, Jackson, Lawrence, Lonoke, Monroe, Phillips, Prairie, Randolph, Sharp, White, Woodruff
	3	Arkansas, Cleburne, Cleveland, Desha, Drew, Faulkner, Fulton, Grant, Izard, Jefferson, Lincoln, Pulaski, Saline, Stone
	4	Balance of State
CALIFORNIA	1	Entire State
COLORADO	4	Entire State
CONNECTICUT	4	Entire State
DELAWARE	4	Entire State
D. C. (Territory)	4	District of Columbia – Washington D. C.
FLORIDA	4	Entire State
GEORGIA	4	Entire State
HAWAII	1	Entire State
IDAHO	3	Bannock, Bear Lake, Caribou, Franklin, Oneida, Power
	4	Balance of State
ILLINOIS	1	Alexander, Pulaski
	2	Bond, Clay, Clinton, Edwards, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jefferson, Johnson, Lawrence, Madison, Marion, Massac, Monroe, Perry, Pope, Randolph, Richland, St. Clair, Saline, Union, Wabash, Washington, Wayne, White, Williamson
	3	Calhoun, Christian, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Greene, Jasper, Jersey, Macoupin, Montgomery, Morgan, Moultrie, Pike, Sangamon, Scott, Shelby
	4	Balance of State
INDIANA	2	Crawford, Daviess, Dubois, Gibson, Greene, Knox, Lawrence, Martin, Orange, Perry, Pike, Posey, Spencer, Sullivan, Vanderburgh, Warrick
	3	Brown, Clay, Fayette, Johnson, Morgan, Monroe, Owen, Rush, Shelby, Union, Vigo
	4	Balance of State
IOWA	4	Entire State

<b>COUNTRY - The United States of America</b>		
<b>STATE</b>	<b>ZONE</b>	<b>COUNTIES/PARISHES/INDEPENDENT CITIES</b>
KANSAS	4	Entire State
KENTUCKY	1	Ballard, Carlisle, Fulton, Hickman, McCracken
	2	Breckinridge, Butler, Caldwell, Calloway, Christian, Crittenden, Daviess, Graves, Hancock, Henderson, Hopkins, Livingston, Logan, Lyon, Marshall, McLean, Muhlenberg, Ohio, Simpson, Todd, Trigg, Union, Warren, Webster
	4	Balance of State
LOUISIANA	4	Entire State
MAINE	4	Entire State
MARYLAND	4	Entire State
MASSACHUSETTS	4	Entire State
MICHIGAN	4	Entire State
MINNESOTA	4	Entire State
MISSISSIPPI	1	DeSoto, Tunica
	2	Alcorn, Benton, Bolivar, Coahoma, Lafayette, Leflore, Marshall, Panola, Pontotoc, Prentiss, Quitman, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Union, Yalobusha
	3	Calhoun, Carroll, Chickasaw, Choctaw, Clay, Grenada, Holmes, Humphreys, Issaquena, Itawamba, Lee, Lowndes, Monroe, Montgomery, Oktibbeha, Sharkey, Warren, Washington, Webster, Yazoo
	4	Balance of State
MISSOURI	1	Bollinger, Butler, Cape Girardeau, Dunklin, Mississippi, New Madrid, Pemiscot, Scott, Stoddard
	2	Carter, Iron, Jefferson, Madison, Oregon, Perry, Reynolds, Ripley, St. Francois, Ste. Genevieve, St. Charles, St. Louis, Washington, Wayne, and the City of St Louis
	3	Audrain, Callaway, Cole, Crawford, Dent, Franklin, Gasconade, Howell, Lincoln, Maries, Marion, Miller, Montgomery, Osage, Phelps, Pike, Pulaski, Ralls, Shannon, Texas, Warren
	4	Balance of State
MONTANA	4	Entire State
NEBRASKA	4	Entire State
NEVADA	1	Carson City, Douglas
	2	Lyon, Storey, Washoe
	3	Clark
	4	Balance of State
NEW HAMPSHIRE	4	Entire State
NEW JERSEY	4	Entire State
NEW MEXICO	4	Entire State
NEW YORK	4	Entire State
NORTH CAROLINA	4	Entire State
NORTH DAKOTA	4	Entire State
OHIO	4	Entire State
OKLAHOMA	4	Entire State
OREGON	2	Clackamas, Multnomah, Washington
	3	Benton, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Polk, Tillamook, Yamhill
	4	Balance of State
PENNSYLVANIA	4	Entire State

<b>COUNTRY - The United States of America</b>		
<b>STATE</b>	<b>ZONE</b>	<b>COUNTIES/PARISHES/INDEPENDENT CITIES</b>
RHODE ISLAND	4	Entire State
SOUTH DAKOTA	4	Entire State
SOUTH CAROLINA	1	Berkely, Charleston, Dorchester
	3	Bamberg, Beaufort, Calhoun, Clarendon, Colleton, Georgetown, Hampton, Jasper, Orangeburg, Richland, Sumter, Williamsburg
	4	Balance of State
TENNESSEE	1	Crockett, Dyer, Haywood, Lake, Lauderdale, Obion, Shelby, Tipton
	2	Benton, Carroll, Chester, Decatur, Fayette, Gibson, Hardeman, Hardin, Henderson, Henry, Humphreys, Madison, McNairy, Weakley
	3	Cheatham, Davidson, Dickson, Hickman, Houston, Lawrence, Lewis, Montgomery, Perry, Robertson, Stewart, Wayne
	4	Balance of State
TEXAS	4	Entire State
UTAH	2	Davis, Salt Lake, Utah
	3	Cache, Morgan, Rich, Summit, Wasatch, Weber
	4	Balance of State
VERMONT	4	Entire State
VIRGINIA	4	Entire State
WASHINGTON	1	Clallam, Island, Jefferson, King, Kitsap, Mason, Pierce, San Juan, Thurston
	2	Skagit, Snohomish, Whatcom
	3	Clark, Cowlitz, Grays Harbor, Lewis, Pacific, Skamania, Wahkiakum,
	4	Balance of State
WEST VIRGINIA	4	Entire State
WISCONSIN	4	Entire State
WYOMING	4	Entire State

<b>Commonwealths and Territories of The United States of America</b>		
	<b>ZONE</b>	
AMERICAN SAMOA	2	Entire Territory
GUAM	1	Entire Territory
NORTHERN MARIANA ISLANDS	2	Entire Commonwealth
PUERTO RICO	1	Entire Commonwealth
U.S. VIRGIN ISLANDS	1	Entire Territory for Limits of Liability
	2	Entire Territory for Deductibles
All other US Territories and Possessions	2	Entire Territory

# Appendix B - Earth Movement/Earthquake Zones Worldwide except USA its Commonwealths and Territories



This list is for informational purposes only and does not convey any coverage under the policy.

Country	Zone	Provinces/Territories/States/Counties
ALBANIA	1	Entire Country
ALGERIA	2	Balance of Country
	4	Adrar, Bechar, Tamanghasset, Ouargla, Illizi, Tindouf, Ghardaia
ANDORRA	4	Entire Country
ANGUILLA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ANTARCTICA	3	Entire Country
ANTIGUA & BARBUDA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ARGENTINA	1	Mendoza, Neuquen, San Juan
	2	Catamarca, Jujuy, Salta, Tucuman
	4	Balance of Country
ARMENIA	1	Entire Country
ARUBA	3	Entire Country
AUSTRALIA including Christmas Island , Cocos (Keeling) Islands	2	Christmas Island , Cocos (Keeling) Islands
	3	Western Australia
	4	Balance of Country
AUSTRIA	4	Entire Country
AZERBAIJAN	1	Entire Country
BAHAMAS	4	Entire Country
BAHRAIN	4	Entire Country
BANGLADESH	1	Entire Country
BARBADOS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
BELARUS	4	Entire Country
BELGIUM	3	Entire Country
BELIZE	2	Entire Country
BENIN	4	Entire Country
BERMUDA	4	Entire Country
BHUTAN	1	Balance of Country
	2	Gasa
BOLIVIA	1	La Paz
	2	Oruro, Potosi, Tarija
	3	Beni, Chuquisaca, Cochabamba, Pando, Santa Cruz
BOSNIA & HERZEGOVINA	2	Entire Country

Country	Zone	Provinces/Territories/States/Counties
BOTSWANA	4	Entire Country
BRAZIL	4	Entire Country
BRITISH VIRGIN ISLANDS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
BRUNEI DARUSSALAM	3	Entire Country
BULGARIA	2	Entire Country
BURKINA FASO	4	Entire Country
BURUNDI	2	Entire Country
CAMBODIA	4	Entire Country
CAMEROON	3	Entire Country
CANADA	2	British Columbia, Ontario, Quebec, Yukon except listed postal codes with first 3 characters in Zones 3 and 4
	3	<p>British Columbia Postal Codes: V8C,V8G,V0M,V0T,V0V,V1M,V2P,V2R,V2S,V2T,V2V,V2W,V2X,V2Y,V3B,V3C,V3E,V3G,V3H,V3J,V3K,V3L,V3N,V3R,V3T,V3V,V3Y,V4N,V4R,V4S,V4W,V4X,V4Z,V5A,V5B,V5C,V5E,V5G,V5H,V5J,V5K,V5L,V5M,V5N,V5R,V5T,V5V,V5Y,V5Z,V6A,V6B,V6C,V6E,V6G,V6H,V6J,V6K,V6L,V6R,V6T,V6Z,V7G,V7H,V7J,V7K,V7L,V7M,V7N,V7P,V7R,V7S,V7T,V7V,V7W,V7X,V7Y,V8B,V8J</p> <p>New Brunswick Postal Codes: E1G,E1N,E1V,E1X,E2A,E2E,E2G,E2H,E2J,E2K,E2L,E2M,E2N,E2P,E2R,E2S,E2V,E3A,E3B,E3C,E3E,E3L,E3N,E3V,E3Y,E3Z,E4A,E4B,E4C,E4E,E4G,E4J,E4S,E4T,E4V,E4W,E4X,E4Y,E4Z,E5A,E5B,E5C,E5E,E5H,E5J,E5K,E5L,E5M,E5N,E5P,E5R,E5S,E5T,E5V,E6A,E6B,E6C,E6E,E6G,E6H,E6J,E6K,E6L,E7A,E7B,E7C,E7E,E7G,E7H,E7J,E7K,E7L,E7M,E7N,E7P,E8A,E8B,E8C,E8E,E8G,E8J,E8K,E8L,E8M,E8N,E8P,E8R,E9A,E9B,E9C,E9E,E9G,E9H,</p> <p>Ontario Postal Codes: K0E,K0G,K6T,K6V,K7A,K7H</p> <p>Quebec Postal Codes: G0E,G0J,G0K,G0M,G0N,G0P,G0S,G0V,G0Y,G0Z,G4R,G4S,G5B,G5J,G5X,G5Y,G5Z,G6A,G6B,G6E,G6G,G6H,G6J,G6K,G6L,G6P,G6R,G6S,G6T,G7A,G7B,G7G,G7H,G7J,G7K,G7N,G7P,G7S,G7T,G7X,G7Y,G7Z,G8A,J0A,J0B,J0E,J0H,J0J,J1A,J1C,J1E,J1G,J1H,J1J,J1K,J1L,J1M,J1N,J1R,J1S,J1T,J1X,J2G,J2H,J2J,J2K,J2L,J2M,J2N,J2R,J2S,J2T,J2X,J3M,J9V</p>

Country	Zone	Provinces/Territories/States/Counties
CANADA (continued)	4	<p>British Columbia Postal Codes: V0C,V0J,V1J,V2K,V2M,V0A,V0B,V0E,V0G,V0H,V0K,V0L,V0W,V0X,V1A,V1B,V1C,V1E,V1G,V1H,V1K,V1L,V1N,V1P,V1R,V1S,V1T,V1V,V1W,V1X,V1Y,V1Z,V2A,V2B,V2C,V2E,V2G,V2H,V2J,V2L,V2N,V4T,V4V</p> <p>Ontario Postal Codes: K0H,K0K,K0L,K0M,K7G,K7K,K7L,K7M,K7N,K7P,K7R,K8N,K8P,K8R,K8V,K9A,K9H,K9J,K9K,K9L,K9V,L0A,L0B,L0C,L0E,L0G,L0H,L0J,L0K,L0L,L0M,L0N,L0P,L0R,L0S,L1A,L1B,L1C,L1E,L1G,L1H,L1J,L1K,L1L,L1M,L1P,L1R,L1S,L1T,L1V,L1W,L1X,L1Y,L1Z,L2A,L2E,L2G,L2H,L2J,L2M,L2N,L2P,L2R,L2S,L2T,L2V,L2W,L3B,L3C,L3K,L3M,L3P,L3R,L3S,L3T,L3V,L3X,L3Y,L3Z,L4A,L4B,L4C,L4E,L4G,L4H,L4J,L4K,L4L,L4M,L4N,L4P,L4R,L4S,L4T,L4V,L4W,L4X,L4Y,L4Z,L5A,L5B,L5C,L5E,L5G,L5H,L5J,L5K,L5L,L5M,L5N,L5P,L5R,L5S,L5T,L5V,L5W,L6A,L6B,L6C,L6E,L6G,L6H,L6J,L6K,L6L,L6M,L6P,L6R,L6S,L6T,L6V,L6W,L6X,L6Y,L6Z,L7A,L7B,L7C,L7E,L7G,L7J,L7K,L7L,L7M,L7N,L7P,L7R,L7S,L7T,L8E,L8G,L8H,L8J,L8K,L8L,L8M,L8N,L8P,L8R,L8S,L8T,L8V,L8W,L9A,L9B,L9C,L9G,L9H,L9K,L9L,L9M,L9N,L9P,L9R,L9S,L9T,L9V,L9W,L9Y,L9Z,M1B,M1C,M1E,M1G,M1H,M1J,M1K,M1L,M1M,M1N,M1P,M1R,M1S,M1T,M1V,M1W,M1X,M2H,M2J,M2K,M2L,M2M,M2N,M2P,M2R,M3A,M3B,M3C,M3H,M3J,M3K,M3L,M3M,M3N,M4A,M4B,M4C,M4E,M4G,M4H,M4J,M4K,M4L,M4M,M4N,M4P,M4R,M4S,M4T,M4V,M4W,M4X,M4Y,M5A,M5B,M5C,M5E,M5G,M5H,M5J,M5K,M5L,M5M,M5N,M5P,M5R,M5S,M5T,M5V,M5W,M5X,M6A,M6B,M6C,M6E,M6G,M6H,M6J,M6K,M6L,M6M,M6N,M6P,M6R,M6S,M7A,M7Y,M8V,M8W,M8X,M8Y,M8Z,M9A,M9B,M9C,M9L,M9M,M9N,M9P,M9R,M9V,M9W,N0A,N0B,N0C,N0E,N0G,N0H,N0J,N0K,N0L,N0M,N0N,N0P,N0R,N1A,N1C,N1E,N1G,N1H,N1K,N1L,N1M,N1P,N1R,N1S,N1T,N2A,N2B,N2C,N2E,N2G,N2H,N2J,N2K,N2L,N2M,N2N,N2P,N2R,N2T,N2V,N2Z,N3A,N3B,N3C,N3E,N3H,N3L,N3P,N3R,N3S,N3T,N3V,N3W,N3Y,N4B,N4G,N4K,N4L,N4N,N4S,N4T,N4V,N4W,N4X,N4Z,N5A,N5C,N5H,N5L,N5P,N5R,N5V,N5W,N5X,N5Y,N5Z,N6A,N6B,N6C,N6E,N6G,N6H,N6J,N6K,N6L,N6M,N6N,N6P,N7A,N7G,N7L,N7M,N7S,N7T,N7V,N7W,N7X,N8A,N8H,N8M,N8N,N8P,N8R,N8S,N8T,N8V,N8W,N8X,N8Y,N9A,N9B,N9C,N9E,N9G,N9H,N9J,N9K,N9V,N9Y,P0A,P0B,P0C,P0E,P0G,P0H,P0J,P0K,P0L,P0M,P0N,P0P,P0R,P0S,P0T,P0V,P0W,P0X,P0Y,P1A,P1B,P1C,P1H,P1L,P1P,P2A,P2B,P2N,P3A,P3B,P3C,P3E,P3G,P3L,P3N,P3P,P3Y,P4N,P4P,P4R,P5A,P5E,P5N,P6A,P6B,P6C,P7A,P7B,P7C,P7E,P7G,P7J,P7K,P7L,P8N,P8T,P9A,P9N</p> <p>Quebec Postal Codes: G0C,G0G,G0W,G4T,G4X,G8B,G8C,G8E,G8G,G8H,G8J,G8K,G8L,G8M,G8N,G8P,J0M,J0Y,J0Z,J9P,J9T,J9X,J9Y,J9Z</p> <p>Balance of Country</p>
CAPE VERDE	4	Entire Country
CAYMAN ISLANDS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
CENTRAL AFRICAN REPUBLIC	4	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
CHAD	4	Entire Country
CHILE	1	Entire Country
CHINA	1	Liaoning, Tianjin, Hebei, Shandong, Gansu, Sichuan, Shaanxi, Yunnan
	2	Tibet Autonomous Region, Macau
	3	Balance of Country
	4	Hong Kong
COLOMBIA	1	Antioquia, Cauca, Choco, Narino, Quindio, Risaralda, Valle del Cauca, Bogota
	2	Balance of Country
	3	Amazona, Arauca, Caqueta, Casanare, Guainia, Guaviare, Meta, Putumayo, San Anres and Providencia, Vaupes, Vichada
COMOROS	4	Entire Country
CONGO, REPUBLIC OF	2	Entire Country
COOK ISLANDS	2	Entire Country
COSTA RICA	1	Entire Country
CROATIA	2	Entire Country
CURACAO	3	Entire Country
CYPRUS	2	Entire Country
CZECH REPUBLIC	3	Entire Country
DENMARK	4	Entire Country
DJIBOUTI	2	Entire Country
DOMINICA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
DOMINICAN REPUBLIC	1	Entire Country
ECUADOR	1	Entire Country
EGYPT	2	Cairo, Dakahlia, Damietta, Gharbia, Ismailia, Kafr el-Sheikh, Monufia, North Sinai, Port Said, Red Sea, Sharqia, Suez
	3	Balance of Country
EL SALVADOR	1	Entire Country
EQUATORIAL-GUINEA	4	Entire Country
ERITREA	2	Entire Country
ESTONIA	4	Entire Country
ETHIOPIA	2	Balance of Country
	3	Benishangul, Dure Dawa, Gambela, Harari, Somalia, Tigray
FAROE ISLANDS	4	Entire Country
FEDERATED STATES OF MICRONESIA	2	Entire Country
FIJI	1	Entire Country
FINLAND	4	Entire Country
FRANCE	3	Entire Country
FRENCH GUIANA	4	Entire Country
FRENCH POLYNESIA	4	Entire Country
GABON	2	Ogooue-Ivindo, Ogooue-Lolo
	3	Balance of Country
GAMBIA	4	Entire Country
GERMANY	3	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
GHANA	1	Accra
	2	Balance of Country
GIBRALTAR	3	Entire Country
GREECE	1	Entire Country
GREENLAND	3	Entire Country
GRENADA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
GUADELOUPE	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
GUATEMALA	1	Balance of Country
	3	Peten
GUINEA	2	Boke
	3	Balance of Country
GUINEA- BISSAU	3	Entire Country
GUYANA	3	Entire Country
HAITI	1	Entire Country
HONDURAS	1	Balance of Country
	3	Atlantida, Colon, Comayagua, El Paraiso, Francisco Morazan, Gracias a Dios, Islas de la Bahia, Olancho, Yoro
HUNGARY	3	Entire Country
ICELAND	2	Northeast Region, South Region, Southern Peninsula Region, Capital Region
	3	Balance of Country
INDIA	1	Arunachal Pradesh, Assam, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Uttarakhand
	3	Balance of Country
INDONESIA	2	Balance of Country
	3	(Borneo)-East Kalimantan, South Kalimantan, West Kalimantan, Central Kalimantan, Riau, Jambi, South Sulawesi, Southeast Sulawesi, Bangka-Belitung, West Nusa Tenggara
IRAQ	2	Entire Country
IRELAND	4	Entire Country
ISLE OF MAN	3	Entire Country
ISRAEL	1	Entire Country
ITALY	1	Balance of Country
	3	Liguria, Lombardy, Marche, Piedmont, Aosta Valley, Trentino-Alto Adige/Südtirol, Veneto, Sardinia
IVORY COAST (COTE-D'IVOIRE)	4	Entire Country
JAMAICA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
JAPAN	1	Balance of Country
	2	Prefectures of Akita, Fukui, Fukuoka, Gifu, Gunma, Hiroshima, Ishikawa, Kagoshima, Niigata, Okayama, Okinawa, Saga, Shimane, Tochigi, Tottori, Toyama, Yamaguchi

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
JORDAN	1	Balance of Country
	3	Ma'an
KAZAHKSTAN	1	Entire Country
KENYA	2	Entire Country
KIRIBATI	2	Entire Country
KOSOVO	3	Entire Country
KUWAIT	4	Entire Country
KYRGYZSTAN (KYRGYZ REPUBLIC)	1	Entire Country
LAOS	2	Balance of Country
	3	Attapu, Bolikhamxai, Champasak, Khammouan, Salavan, Savannakhet, Xekong
LATVIA	4	Entire Country
LEBANON	1	Entire Country
LESOTHO	2	Balance of Country
	3	Berea, Butha-Buthe, Leribe, Mokhotlong, Thaba-Tseka
LIBERIA	4	Entire Country
LIBYA	2	Entire Country
LIECHTENSTEIN	4	Entire Country
LITHUANIA	4	Entire Country
LUXEMBOURG	4	Entire Country
MACEDONIA	1	Entire Country
MADAGASCAR	3	Entire Country
MALAWI	2	Entire Country
MALAYSIA	3	Entire Country
MALDIVES	4	Entire Country
MALI	4	Entire Country
MALTA	4	Entire Country
MARSHALL ISLANDS	4	Entire Country
MARTINIQUE	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
MAURITANIA	4	Entire Country
MAURITIUS	4	Entire Country
MAYOTTE	2	Entire Country
MEXICO	1	Balance of Country
	4	Chihuahua, Campeche, Coahuila, Durango, Nuevo Leon, Quintana Roo, San Luis Potosi, Sonora, Tamaulipas, Yucatan, Zacatecas
MOLDOVA	2	Entire Country
MONACO	3	Entire Country
MONGOLIA	1	Balance of Country
	2	Govi-Altai, Arkhangai, Bulgan, Selenge, Tov, Ovorkhangai
	3	Khentii, Dundgovi, Dornogovi, Dornod, Sukhbaatar
MONTENEGRO	2	Entire Country
MONTSERRAT	1	Entire Country For Limits
	2	Entire Country for Deductibles

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
MOROCCO	2	Fès-Boulemane (Fès) , Gharb-Chrarda-Béni Hssen (Kénitra), Tangier-Tétouan (Tangier)
	3	Taza-Al Hoceima-Taounate (Al Hoceima)
	4	Balance of Country
MOZAMBIQUE	2	Manica, Sofala, Zambezia
	3	Balance of Country
NAMIBIA	4	Entire Country
NAURU	2	Entire Country
NEPAL	1	Entire Country
NETHERLANDS	4	Balance of Country
	3	Bonaire
	1	Saba, Sint Eustatius for Limits of Liability
	3	Saba, Sint Eustatius for Deductibles
NEW CALEDONIA	3	Entire Country
NEW ZEALAND	1	Balance of Country
	3	Northland, Auckland, Waikato
NICARAGUA	1	Balance of Country
	3	RAAN (Bilwi), RAAS (Bluefields)
NIGER	4	Entire Country
NIGERIA	4	Entire Country
NIUE	2	Entire Country
NORFOLK ISLAND	2	Entire Country
NORWAY	4	Entire Country
OMAN	4	Entire Country
PAKISTAN	1	Balance of Country
	3	Punjab
PALAU	2	Entire Country
PALESTINE	1	Entire Country
PANAMA	2	Entire Country
PAPUA NEW GUNIEA	1	Entire Country
PARAGUAY	4	Entire Country
PERU	1	Entire Country
PHILIPPINES	1	Entire Country
PITCAIRN ISLANDS	2	Entire Country
POLAND	4	Entire Country
PORTUGAL	2	Lisbon, Santarém, Faro, Azores Autonomous Region
	4	Balance of Country
QATAR	4	Entire Country
REUNION	4	Entire Country
ROMANIA	2	Entire Country
RUSSIAN FEDERATION	1	Kamchatka, , Buryatia, Tuva, Altai Republic., Stavropol, Chechnya, Adygea, Krasnodar, Karachay-Cherkessia, Ingushetia, Dagestan, Kabardino-Balkaria, North Ossetia-Alania
	3	Balance of Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
RWANDA	2	Entire Country
SAMOA (WESTERN )	2	Entire Country
SAN MARINO	2	Entire Country
SAO TOME & PRINCIPE	4	Entire Country
SAUDI ARABIA	2	Jizan, Tabuk
	4	Balance of Country
SENEGAL	3	Entire Country
SERBIA	2	Entire Country
SEYCHELLES	4	Entire Country
SIERRA LEONE	4	Entire Country
SINGAPORE	4	Entire Country
SINT MAARTEN	1	Entire Country for Limits of Liability
	3	Entire Country for Deductibles
SLOVAKIA	3	Entire Country
SLOVENIA	2	Entire Country
SOLOMAN ISLANDS	1	Entire Country
SOMALIA	3	Entire Country
SOUTH AFRICA	2	Free State, Western Cape
	3	Balance of Country
SOUTH KOREA	3	Entire Country
SOUTHERN SUDAN	3	Entire Country
SPAIN	2	Andalusia, Murcia
	3	Balance of Country
SRI LANKA	3	Entire Country
ST. BARTHELEMY	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. KITTS AND NEVIS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. LUCIA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. MARTIN	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. VINCENT AND THE GRENADINES	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
SURINAME	4	Entire Country
SWAZILAND	2	Entire Country
SWEDEN	4	Entire Country
SWITZERLAND	4	Entire Country
TAIWAN	1	Entire Country
TAJKISTAN	1	Entire Country
TANZANIA	2	Kigoma, Arusha, Singida, Dodoma, Manyara, Rukwa, Mbeya, Iringa, Ruvuma, Mtwara
	3	Balance of Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
THAILAND	2	Chiang Rai, Payao, Nan, Chang Mai, Mae Hong Son, Lampang, Lampun, Phrae, Uttaradit, Sukhothai, Tak, Phitsanulok, Kamphaeng Phet, Phichit, Nakhon Sawan, Uthai Thani, Kanchanaburi, Chai Nat, Lop Buri, Sara Buri, Nakon Nayok, Ang Thong, Phra Nakhon Si Ayuthaya, Nakhon Pathom, Sing Buri, Pathum Thani, Bangkok, Samut Songkhram, Samut Sakhon, Nonthaburi, Samut Prakan, Phetchaburi
	3	Balance of Country
TIMOR-LESTE	2	Entire Country
TOGO	3	Entire Country
TONGA	2	Entire Country
TRINIDAD AND TOBAGO	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
TUNISIA	2	Ariana, Béja, Ben Arous, Bizerte, Gafsa, Jendouba, Manouba, Monastir, Nabeul, Sousse, Tunis, Zaghouan
	3	Balance of Country
TURKEY	1	Entire Country
TURKMENISTAN	1	Entire Country
TURKS AND CAICOS	1	Entire Country for Limits of Liability
	3	Entire Country for Deductibles
TUVALU	4	Entire Country
UGANDA	2	Entire Country
UKRAINE	4	Entire Country
UNITED ARAB EMIRATES	4	Entire Country
UNITED KINGDOM including Guernsey, Jersey	3	Entire Country
URUGUAY	4	Entire Country
UZBEKISTAN	1	Entire Country
VANUATU	2	Entire Country
VATICAN CITY	1	Entire Country
VENEZUELA	1	Balance of Country
	2	Carabobo, Aragua, Guarico, Vargas, Miranda, Dpto Capital, Anzoategui, Monagas
	4	Delta Amacuro, Bolivar, Amazonas
VIETNAM	2	Lai Chau, Lao Cai, Yen Bai, Son La, Hoa Binh, Vinh Phu, Hanoi, Hai Phong, Ha Tay, Hai Hung, Thai Binh, Nom Ha, Ninh Binh, Thanh Hoa, Nghe An, Ha Tinh, Quang Binh, Quang Ngai, Binh Dinh, Phu Yen, Khanh Hoa, Ninh Thuan
	3	Balance of Country
WESTERN SAHARA	4	Entire Country
YEMEN	4	Entire Country
ZAMBIA	2	Northern, Southern
	3	Balance of Country
ZIMBABWE	3	Entire Country

Any country not listed is Zone 1 unless stated differently in the Declarations of the Policy.



# Appendix C – Named Storm Zones for USA including its Commonwealths and Territories

This list is for informational purposes only and does not convey any coverage under the policy.

## WIND ZONES ARE DEFINED AS FOLLOWS:

### COUNTRY – The United States of America

STATE	ZONE	COUNTIES/PARISHES/INDEPENDENT CITIES
Alabama	1	Baldwin, Mobile
	2	Clarke, Covington, Escambia, Geneva, Houston, Washington
Florida	1	Bay, Brevard, Broward, Calhoun, Charlotte, Citrus, Collier, Dixie, Duval, Escambia, Flagler, Franklin, Glades, Gulf, Hendry, Hernando, Hillsborough, Indian River, Jefferson, Lee, Levy, Liberty, Manatee, Martin, Miami-Dade, Monroe, Nassau, Okaloosa, Okeechobee, Palm Beach, Pasco, Pinellas, Saint Johns, Saint Lucie, Santa Rosa, Sarasota, Taylor, Volusia, Wakulla, Walton, Washington
	2	Balance of State
Georgia	1	Bryan, Camden, Chatham, Glynn, Liberty, McIntosh
	2	Appling, Brantley, Bulloch, Charlton, Effingham, Evans, Long, Pierce, Tattnall, Wayne
Hawaii	1	Entire State
Louisiana	1	Ascension, Assumption, Cameron, Iberia, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington
	2	Acadia, Allen, Beauregard, Calcasieu, East Baton Rouge, East Feliciana, Evangeline, Iberville, Jefferson Davis, Lafayette, Pointe Coupee, St. Landry, St. Helena, West Baton Rouge, West Feliciana
Maryland	1	Somerset, Wicomico, Worcester
Mississippi	1	George, Hancock, Harrison, Jackson, Pearl River, Stone
	2	Amite, Forrest, Greene, Lamar, Marion, Perry, Pike, Walthall, Wilkinson
North Carolina	1	Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Columbus, Craven, Currituck, Dare, Hyde, Jones, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, Washington
	2	Bladen, Duplin, Gates, Greene, Hertford, Lenoir, Pitt, Robeson, Sampson
South Carolina	1	Beaufort, Berkeley, Charleston, Colleton, Dorchester, Georgetown, Horry, Jasper
	2	Allendale, Bamberg, Clarendon, Dillon, Florence, Hampton, Marion, Williamsburg
Texas	1	Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jackson, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Orange, Refugio, San Patricio, Willacy
	2	Austin, Bee, Brooks, Colorado, DeWitt, Duval, Fort Bend, Goliad, Grimes, Hardin, Harris, Hidalgo, Jasper, Jim Hogg, Jim Wells, Lavaca, Liberty, Live Oak, McMullen, Montgomery, Newton, Polk, San Jacinto, Starr, Tyler, Victoria, Walker, Waller, Wharton

<b>STATE</b>	<b>ZONE</b>	<b>COUNTIES/PARISHES/INDEPENDENT CITIES</b>
Virginia	1	Accomack, Gloucester, Isle of Wight, James City, Lancaster, Mathews, Middlesex, Northampton, Northumberland, Southampton, Surry, York
	1	Independent Cities: Chesapeake, Franklin City, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg
	2	Caroline, Charles City, Essex, Henrico, King and Queen, King George, King William, New Kent, Prince George, Richmond, Sussex, Westmoreland

Commonwealths and Territories of The United States of America		
	<b>ZONE</b>	
AMERICAN SAMOA	2	Entire Territory
GUAM	1	Entire Territory
NORTHERN MARIANA ISLANDS	1	Entire Commonwealth
PUERTO RICO	1	Entire Commonwealth
U.S. VIRGIN ISLANDS	1	Entire Territory
All other US Territories and Possessions	1	Entire Territory

## Appendix D – Named Storm Zones Worldwide except USA and its Commonwealths and Territories



This list is for informational purposes only and does not convey any coverage under the policy.

**WIND ZONES ARE DEFINED AS FOLLOWS:**

Country	Zone	Provinces/Territories/States/Counties
ALBANIA	4	Entire Country
ALGERIA	3	Entire Country
ANDORRA	3	Entire Country
ANGUILLA	1	Entire Country
ANTARCTICA	4	Entire Country
ANTIGUA & BARBUDA	1	Entire Country
ARMENIA	4	Entire Country
ARGENTINA	4	Entire Country
ARUBA	1	Entire Country for Limits of Liability
	3	Entire Country for Deductibles
AUSTRALIA including Christmas Island, Cocos (Keeling) Islands	1	Western Australia Postcodes: 6701,6707,6710,6711,6712, 6713,6714,6716,6718,6720,6721,6722,6725,6726,6728,6731, 6733,6740,6743,6751,6754,6760,6762,6765, Northern Territory Postcodes: 0800,0810,0812,0820,0822, 0828,0829,0830,0832,0835,0836,0837,0838,0840,0841,0845, 0846,0847,0850,0852,0853,0854,0862,0880,0885,0886, Christmas Island, Cocos (Keeling) Islands
	2	Queensland Postcodes: 4580,4581,4620,4621,4630,4650, 4655,4659,4660,4662,4670,4671,4673,4674,4676,4677,4678, 4680,4694,4695,4697,4699,4700,4701,4702,4703,4704,4705, 4706,4707,4710,4711,4712,4714,4715,4716,4717,4718,4720, 4721,4723,4737,4738,4739,4740,4741,4742,4743,4744,4745, 4746,4750,4751,4753,4754,4756,4757,4798,4799,4800,4801, 4802,4803,4804,4805,4806,4807,4808,4809,4810,4811,4812, 4813,4814,4815,4816,4817,4818,4819,4820,4830,4849,4850, 4852,4854,4855,4856,4857,4858,4859,4860,4861,4865,4868, 4869,4870,4871,4872,4873,4874,4875,4876,4877,4878,4879, 4880,4881,4882,4883,4884,4885,4886,4887,4888,4890,4891, 4895
	3	Balance of Country
AUSTRIA	4	Entire Country
AZERBAIJAN	4	Entire Country
BAHAMAS	1	Entire Country
BAHRAIN	4	Entire Country
BANGLADESH	1	Entire Country
BARBADOS	1	Entire Country
BELARUS	4	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
BELGIUM	3	Entire Country
BELIZE	1	Entire Country
BENIN	4	Entire Country
BERMUDA	1	Entire Country
BHUTAN	4	Entire Country
BOLIVIA	4	Entire Country
BOSNIA & HERZEGOVINA	4	Entire Country
BOTSWANA	3	Entire Country
BRAZIL	4	Entire Country
BRITISH VIRGIN ISLANDS	1	Entire Country
BRUNEI DARUSSALAM	4	Entire Country
BULGARIA	4	Entire Country
BURKINA FASO	4	Entire Country
BURUNDI	1	Entire Country
CAMBODIA	3	Entire Country
CAMEROON	4	Entire Country
CANADA	4	Entire Country
CAPE VERDE	3	Entire Country
CAYMAN ISLANDS	1	Entire Country
CENTRAL AFRICAN REPUBLIC	4	Entire Country
CHAD	3	Entire Country
CHILE	3	Entire Country
CHINA	1	Hainan, Macau, Guangdong, Fujian, Zhejiang, Shanghai, Jiangsu, Shangdong
	2	Hong Kong
	4	Balance of Country
COLOMBIA	3	Entire Country
COMOROS	3	Entire Country
CONGO, REPUBLIC OF	4	Entire Country
COOK ISLANDS	1	Entire Country
COSTA RICA	1	Entire Country
CROATIA	3	Entire Country
CURACAO	1	Entire Country for Limits of Liability
	3	Entire Country for Deductibles
CYPRUS	4	Entire Country
CZECH REPUBLIC	4	Entire Country
DENMARK	3	Entire Country
DJIBOUTI	4	Entire Country
DOMINICA	1	Entire Country
DOMINICAN REPUBLIC	1	Entire Country
ECUADOR	4	Entire Country
EGYPT	4	Entire Country
EL SALVADOR	2	Entire Country
EQUATORIAL GUINEA	4	Entire Country
ERITREA	4	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
ESTONIA	3	Entire Country
ETHIOPIA	4	Entire Country
FAROE ISLANDS	3	Entire Country
FEDERATED STATES OF MICRONESIA	1	Entire Country
FIJI	1	Entire Country
FINLAND	3	Entire Country
FRANCE	4	Entire Country
FRENCH GUIANA	4	Entire Country
FRENCH POLYNESIA	1	Entire Country
GABON	3	Entire Country
GAMBIA	4	Entire Country
GERMANY	3	Entire Country
GHANA	3	Entire Country
GIBRALTAR	3	Entire Country
GREECE	4	Entire Country
GREENLAND	4	Entire Country
GRENADA	1	Entire Country
GUADELOUPE	1	Entire Country
GUATEMALA	1	Izabal
	2	Balance of Country
GUINEA	4	Entire Country
GUINEA- BISSAU	4	Entire Country
GUYANA	3	Entire Country
HAITI	1	Entire Country
HONDURAS	1	Entire Country
HUNGARY	4	Entire Country
ICELAND	4	Entire Country
INDIA	1	Andhra Pradesh, Jharkhand, Mizoram, Orissa, Tamil Nadu, Tripura, West Bengal
	3	Balance of Country
INDONESIA	3	Entire Country
IRAQ	4	Entire Country
IRELAND	3	Entire Country
ISLE OF MAN	3	Entire Country
ISRAEL	4	Entire Country
ITALY	3	Entire Country
IVORY COAST (COTE-D'IVOIRE)	4	Entire Country
JAMAICA	1	Entire Country
JAPAN	3	Regions of Hokkaido, Tohoku
	1	Balance of Country
JORDAN	4	Entire Country
KAZAHKSTAN	4	Entire Country
KENYA	3	Entire Country
KIRIBATI	1	Entire Country
KOSOVO	4	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
KUWAIT	4	Entire Country
KYRGYZSTAN (KYRGYZ REPUBLIC)	4	Entire Country
LAOS	3	Entire Country
LATVIA	3	Entire Country
LEBANON	4	Entire Country
LESOTHO	4	Entire Country
LIBERIA	4	Entire Country
LIBYA	4	Entire Country
LIECHTENSTEIN	4	Entire Country
LITHUANIA	3	Entire Country
LUXEMBOURG	4	Entire Country
MACEDONIA	4	Entire Country
MADAGASCAR	2	Entire Country
MALAWI	4	Entire Country
MALAYSIA	3	Entire Country
MALDIVES	3	Entire Country
MALI	4	Entire Country
MALTA	4	Entire Country
MARSHALL ISLANDS	2	Entire Country
MARTINIQUE	1	Entire Country
MAURITANIA	4	Entire Country
MAURITIUS	1	Entire Country
MAYOTTE	1	Entire Country
MEXICO	1	Baja California Sur, Colima, Campeche, Chiapas, Guerrero, Jalisco, Michoacan, Oaxaca, Quintana Roo, Tabasco, Tamaulipas, Veracruz, Yucatan
	4	Balance of Country
MOLDOVA	4	Entire Country
MONACO	3	Entire Country
MONGOLIA	4	Entire Country
MONTENEGRO	4	Entire Country
MONTSERRAT	1	Entire Country
MOROCCO	4	Entire Country
MOZAMBIQUE	1	Entire Country
NAMIBIA	4	Entire Country
NAURU	4	Entire Country
NEPAL	4	Entire Country
NETHERLANDS	4	Balance of Country
	1	Bonaire for Limits of Liability
	3	Bonaire for Deductibles
	1	Saba
	1	Sint Eustatius

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
NEW CALEDONIA	1	Entire Country
NEW ZEALAND	3	Entire Country
NICARAGUA	1	RAAN (Bilwi), RAAS (Bluefields)
	2	Balance of Country
NIGER	4	Entire Country
NIGERIA	4	Entire Country
NIUE	1	Entire Country
NORFOLK ISLAND	2	Entire Country
NORWAY	3	Entire Country
OMAN	3	Entire Country
PAKISTAN	3	Entire Country
PALAU	1	Entire Country
PALESTINE	4	Entire Country
PANAMA	3	Entire Country
PAPUA NEW GUINEA	3	Entire Country
PARAGUAY	4	Entire Country
PERU	4	Entire Country
PHILIPPINES	1	Entire Country
PITCAIRN ISLANDS	1	Entire Country
POLAND	3	Entire Country
PORTUGAL	3	Azores Autonomous Region
	4	Balance of Country
QATAR	4	Entire Country
REUNION	1	Entire Country
ROMANIA	4	Entire Country
RUSSIAN FEDERATION	4	Entire Country
RWANDA	4	Entire Country
SAMOA (WESTERN )	1	Entire Country
SAN MARINO	4	Entire Country
SAO TOME & PRINCIPE	4	Entire Country
SAUDI ARABIA	4	Entire Country
SENEGAL	4	Entire Country
SERBIA	4	Entire Country
SEYCHELLES	3	Entire Country
SIERRA LEONE	4	Entire Country
SINGAPORE	4	Entire Country
SINT MAARTEN	1	Entire Country
SLOVAKIA	4	Entire Country
SLOVENIA	4	Entire Country
SOLOMAN ISLANDS	2	Entire Country
SOMALIA	4	Entire Country
SOUTH AFRICA	4	Entire Country
SOUTH KOREA	2	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
SOUTHERN SUDAN	4	Entire Country
SPAIN	4	Entire Country
SRI LANKA	2	Entire Country
ST. BARTHELEMY	1	Entire Country
ST. KITTS AND NEVIS	1	Entire Country
ST. LUCIA	1	Entire Country
ST. MARTIN	1	Entire Country
ST. VINCENT AND THE GRENADINES	1	Entire Country
SURINAME	4	Entire Country
SWAZILAND	4	Entire Country
SWEDEN	3	Entire Country
SWITZERLAND	4	Entire Country
TAIWAN	1	Entire Country
TAJKISTAN	4	Entire Country
TANZANIA	4	Entire Country
THAILAND	3	Entire Country
TIMOR-LESTE	3	Entire Country
TOGO	4	Entire Country
TONGA	1	Entire Country
TRINIDAD AND TOBAGO	1	Entire Country
TUNISIA	4	Entire Country
TURKEY	4	Entire Country
TURKMENISTAN	4	Entire Country
TURKS AND CAICOS	1	Entire Country
TUVALU	3	Entire Country
UGANDA	4	Entire Country
UKRAINE	4	Entire Country
UNITED ARAB EMIRATES	4	Entire Country
UNITED KINGDOM including Guernsey, Jersey	3	Entire Country
URUGUAY	3	Entire Country
UZBEKISTAN	4	Entire Country
VANUATU	1	Entire Country
VATICAN CITY	4	Entire Country
VENEZUELA	3	Entire Country
VIETNAM	2	Entire Country
WESTERN SAHARA	4	Entire Country
YEMEN	3	Entire Country
ZAMBIA	4	Entire Country
ZIMBABWE	4	Entire Country

Any country not listed is Zone 1 unless stated differently in the Declarations of the Policy

## PROPOSAL FORM FOR PROPERTY INSURANCE (DIRECT DAMAGE & TIME ELEMENT, INCLUDING FLOOD)

1. Proposed Insurer. American Guarantee & Liability Company (Zurich)
2. Coverage is written on a blanket, per-occurrence, replacement-cost basis for all real and personal property and time element exposures, per the enclosed schedule.  
 Yes     No
3. Coverage is extended to all property in the open within 1,000 feet of any insured location and to all property owned by the County or for which the County is legally liable or responsible for insuring, including property of others.  
 Yes     No
4. Please indicate premiums for the following:

Limits	Per-Occurrence Deductibles				
	\$2,500	\$5,000	\$50,000	\$100,000	Other
a. Fire, EC, VMM, AOP, Including all Wind & Hail Blanket Per Schedule			\$230,180		

Please indicate premiums for the following:

Limits	Per-Occurrence Deductibles				
	\$2,500	\$5,000	\$50,000	\$100,000	\$150,000
b. Flood, Except Zones A and V, including BI/EE: \$10,000,000 Aggregate Blanket Per Schedule			Included		
c. Flood, Zone A and V Only, Including BI/EE: \$3,000,000 Per-Occ Aggregate \$5,000,000 Per-Occ Aggregate			Quoted subject to a \$500,000 ded per occ		
d. Flood – Excess of NFIP Coverage <b>(Note: Per-Occurrence Deductibles Do Not Apply)</b>					
e. Earthquake, Including BI/EE: \$10,000,000 Per-Occ Aggregate			Included		
f. Fire, EC, VMM, AOP, Inc Wind & Hail (BI/EE) \$5,000,000 \$10,000,000 Quoted \$4.5M as expiring			Included		
g. Mobile equipment or tools over \$250,000 Mobile equipment or tools under \$250,000			Quoted Separately.	EDP included in Property Quote	

Please indicate additional premium Terrorism and Sabotage:

Limits	Per-Occurrence Deductibles		
	\$10,000	\$25,000	Other
h. \$100,000,000 per occurrence \$100,000,000 Annual Aggregate			Policy Limit/\$50,000 ded.

Please indicate premiums for extensions of coverage as follows:

Limits	Per-Occurrence Deductibles		
	\$50,000	\$100,000	Other
i. Ordinance or Law Coverage: A-\$10,000,000 B-\$10,000,000 C-\$10,000,000	Included		
j. Personal Property at Unnamed Locations (Including In-Transit). \$250,000 \$100,000 Limit quoted	Included		
k. Computer Virus \$50,000 \$100,000 Quoted	Included		
l. Mold and/or Fungus \$250,000 \$500,000 No sublimit for covered cause of loss. \$50,000 ded			
m. Accounts Receivable \$500,000 \$1M limit quoted	Included		

Are premiums quoted net of commission(s) or any other fee(s)?  
 Yes  No

5. Please indicate if coverage is extended to include the following and any additional premium:

a. An agreed amount endorsement or waiver of coinsurance.  
 Yes  No Included Premium

b. Automatic coverage for all newly acquired real and personal property (90-day minimum reporting).  
 Yes  No Included Premium

c. Valuable papers and records included in property limit.  
 Yes  No Included Premium

If no, explain \_\_\_\_\_

d. Property of others, including employee property, is part of the personal property limit.  
 Yes  No Included Premium

If no, explain \_\_\_\_\_

e. Ordinance or law coverage A included is in the building limit.  
 Yes  No Included Premium

If no, explain \_\_\_\_\_

f. Automatic coverage for builders' risk/course of construction (90-day minimum reporting).  
 Yes  No Included Premium New construction at a scheduled location or Renovations at existing location

g. Unintentional errors and omissions in reporting insurable exposures.  
 Yes  No Included Premium

h. Additional insureds and mortgagee interests.  
 Yes  No Included Premium

i. Vacancy and unoccupancy restrictions deleted from any location scheduled.  
 Yes  No Included Premium

- j. No exclusion or restriction on damage to foundations and architectural fees.  
 Yes  No Included Premium No to Foundations
- k. Debris removal without limitation. Yes to Architechural Fees  
 Yes  No Included Premium  
 If no, explain \$10,000,000 sublimit applies
- l. Joint loss agreement with EDP and/or boiler & machinery carrier. Not Needed  
 Yes  No Included Premium
- m. Endorsement as follows: "In the event of total or constructive total loss of this property, coverage shall be construed to apply to the replacement cost of the property, or any part thereof, with material of like kind and quality on the same or similar premises, whether or not intended for the same occupancy or use."  
 Yes  No Included Premium
- n. Loss adjustment clause included: "This policy is extended to include expenses incurred by the insured, or by the insured's representatives, for preparing and certifying details of a claim resulting from a loss that would be payable under this policy."  
 Yes  No Included Premium
- o. All excess coverage is follow form. Not Applicable  
 Yes  No \_\_\_\_\_ Premium
- p. Any quota share coverage terms are exactly the same in al policies. Not applicable  
 Yes  No \_\_\_\_\_ Premium
- q. Coverage included for outdoor property, per schedule. Within 1,000 feet of a scheduled location.  
 Yes  No Included Premium
- r. Sublimit of \$1,000,000 for unscheduled outdoor property included  
 Yes  No Included Premium No applicable sublimit
- s. Drop-down provision language included as requested. Not applicable  
 Yes  No \_\_\_\_\_ Premium
- t. Priority of payment wording included as requested. Not applicable  
 Yes  No \_\_\_\_\_ Premium
- u. Sublimit drop-down wording  
 Yes  No \_\_\_\_\_ Premium Not applicable
- v. Mechanical Breakdown (boiler and machinery) is included.  
 Yes  No Included Premium \$100M limit subject to a \$10K ded.

Please complete the separate section for Mechanical Breakdown.

6. Indicate if premium is flat or auditable and composite rate. \_\_\_\_\_

Additions and deletions will be charged/credited

7. Please indicate method of premium payment (monthly, quarterly, annually, etc.)

Annual

8. Indicate the term of the coverage. One year
- If more than one year, are rates fixed?      Yes      No
9. Is your quote contingent on writing other line(s)?  Yes      No
- If so, what line(s)? \_\_\_\_\_
10. Are specimen policy forms and endorsements included?  
 Yes      No

Robert S. Bookhammer  
Authorized Signature

USI Southwest, Inc.  
Company

7/15/2020  
Date

**EXCEPTION FORM FOR PROPERTY INSURANCE  
(DIRECT DAMAGE AND TIME ELEMENT)**

*Please use this page to explain any differences between the specification requirements and your proposal. This form must list all exceptions/additions to the specifications by line of coverage. Failure to list exceptions accurately could result in disqualification and rejection of your proposal.*

Business Interruption is provided for the County Jail in an amount of \$4,480,000 and Water Plant for \$20,000. Total of \$4.5M.

Miscellaneous Personal Property limit is quoted at \$100,000 limit in lieu of \$250,000.

Foundations are not covered.

Robert S. Bookhammer  
Authorized Signature

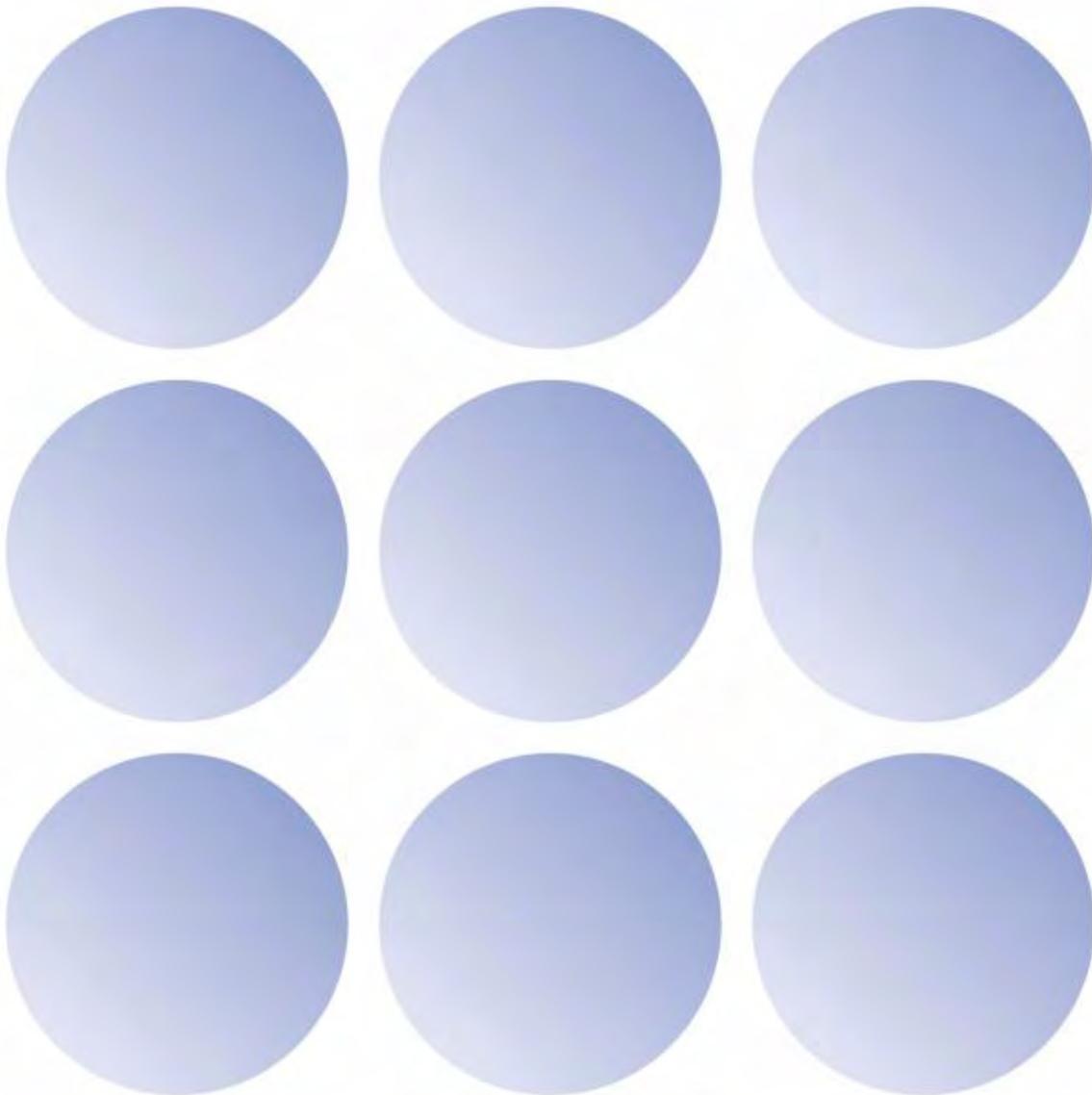
USI Southwest, Inc.  
Company

7/15/2020  
Date

# County Of Webb

Property Program

Proposal



**If you want to learn more about the compensation Zurich pays agents and brokers visit: <http://www.zurichproducercompensation.com> or call the following toll-free number: (866) 903- 1192. This Notice is provided on behalf of Zurich American Insurance Company and its underwriting subsidiaries.**

## 1. Details

### 1.1. Insurer and Relationship Details

North America Commercial Insurance  
15303 Dallas Parkway  
Addison, TX 75001

Contact Name: Jeffrey Heidelberg  
Telephone: (214) 866-1339  
Mobile: (972) 951-0225  
Fax: (214) 866-1345  
Email: jeffrey.heidelberg@zurichna.com

Policy Issuing Company:  
American Guarantee and Liability Insurance Company

### 1.2. Named Insureds

County Of Webb  
1110 Washington St  
Laredo, TX 78040

hereafter referred to as the **First Named Insured**.

The following are all hereafter referred to as the "Insured", including legal representatives.

The **First Named Insured**; and

any subsidiary of the **First Named Insured**. The **First Named Insured**'s interest in any partnership, joint venture or other legal entity in which the **First Named Insured** has management control or ownership as now constituted or hereafter is acquired.

When any Insured described above is a party to a written contract or agreement on file, that requires a legal entity to be identified as an additional insured under this Policy, this Policy includes the legal entity as an additional insured, as its interest may appear, for physical damage to insured property which is the subject of the written contract or agreement on file, before any loss occurs; and does not provide any Time Element Coverage to the legal entity, except as provided under Leasehold Interest Coverage of this policy or as specifically endorsed to the policy.

### 1.3. Broker

Robert S. Bookhammer, ARM-P, CSRM, Senior Vice President/Producer  
USI Southwest, Inc.  
5151 Belt Line Rd Ste 200  
Dallas, TX 75254

### 1.4. Period of Insurance

Policy Inception: October 1, 2020

Coverage begins October 1, 2020 at 12:01 AM

Policy Expiration: October 1, 2021

Coverage ends October 1, 2021 at 12:01 AM

1.5. Zurich Share

Zurich's proportionate share of loss or damage after the application of any deductible amount is:  
100% Quota Share Being \$165,000,000 part of a \$165,000,000 primary loss layer

1.6. Program Overview

This proposal is presented to you with the understanding that neither Zurich nor any of its subsidiaries, affiliates, or employees, offer, or purport to offer, advice to you concerning the proper financial, accounting, or tax treatment for the policy(ies) of insurance referenced herein and nothing herein should be considered to constitute such advice. If accounting advice, tax advice, or other expert professional assistance is required, you should consult with your own accountant, adviser, counsel, or other similar competent professional with expertise in the required area.

Reference to Zurich include: Zurich, Company, us, we, our, Insurer

Reference to Insured include: Insured, Customer, Customers, you

Reference to defined terms in a policy are normally in **BOLD**

Reference to Capitalized terms are normally done for emphasis

2. Cover

2.1. Notice

This Property Insurance Proposal may differ from the original specifications requested and only the coverage(s), limitations, terms and conditions contained in this Property Insurance Proposal shall apply.

2.2. Conditions

2.2.1. Contractual Document(s)

This Property Insurance Proposal is subject to the terms and conditions of the form unless indicated otherwise. While this Property Insurance Proposal attempts to summarize and highlight the proposed policy form, it is not complete, and the policy form should be reviewed for complete details. It is important to carefully read the policy and its endorsements to determine rights, duties and what is and is not covered. In the event of any inconsistencies between the proposal and the policy form referenced, the policy language controls.

2.2.2. Basis of Cover

Loss or Damage Insured: The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property, at an Insured **Location** all subject to the terms, conditions and exclusions stated in the Policy.

No coverage can be provided in violation of any U.S. economic or trade sanctions laws or regulations. Such coverage, which may be in violation of any U.S. economic or trade sanctions laws and regulations, shall be null and void and the Company shall not be liable to make any payments or provide any defense under the policy.

Valuation:

In the event of any claim for direct physical loss of or damage to insured property, the basis of adjustment is on a Replacement Cost basis unless a specific valuation applies. Replacement Cost shall be the cost to repair, rebuild or replace the damaged property (without deduction for depreciation) with materials of like kind, quality and capacity at the same or another site, but no more than the lesser of:

The cost to repair;

The cost to rebuild or replace on the same or another site with materials of equivalent size, kind, quality and capacity;

The necessary cost actually expended in repairing, rebuilding or replacing on the same or another site, but not exceeding the operating capacity that existed at the time of the loss; or

The Limits of Liability applicable to the lost or damaged property.

Other Valuation as follows:

<b>Finished Stock</b>	Replacement Cost
<b>Merchandise</b> that carries the Insured's brand or trade name	Replacement Cost
All other <b>Merchandise</b>	Replacement Cost
Vehicles	Actual Cash Value

2.2.3. Advantages of Zurich Edge Policy

Other Advantages of the Zurich Edge policy:

Provides extra expense as part of Gross Earnings cover AND in addition to this, Extra Expense cover is provided that does not require a reduction in loss.

Ingress/Egress includes extra expense coverage.

Civil or Military Authority includes extra expense coverage.

Option to value merchandise at selling price without separate endorsement.

Renovations, alterations, repairs are not subject to the sub limit for New Construction and Additions.

Provides Tenants Prohibited Access cover which is unique to The Zurich Edge policy and will help fill in the gaps that other forms may have.

Expanded coverage for Theft and Vandalism by not subjecting them to the limit provided under the Catastrophe covers (Earth Movement, Named Wind, and Flood).

**Earth Movement** coverage includes Earthquake, Landslide, Mine Subsidence, Sinkhole Collapse and earth sinking, rising or shifting. The Earthquake deductible is specific to Earthquake and does not apply to all Earth Movement coverage.

Volcanic eruption is not part of the Earth Movement definition.

Tsunami coverage is part of Flood.

The Edge policy does not have a vacancy clause.

Contingent Time Element may provide coverage for Direct, Indirect, and Attraction Properties. Also Contingent Time Element may extend to cover events outside the coverage territory that impact locations within the coverage territory.

International Interdependency cover may provide cover for events outside the coverage territory that impact locations within the coverage territory.

Contingent Time Element may provide coverage for Direct, Indirect, and Attraction Properties.

Off Premises Service Interruption includes voice, data, and video service interruption. Loss due to damage to transmission and distribution lines of the supplier of service caused by a covered cause of loss is included.

Increased Cost of Construction sub limit applies only to the increase cost of construction and not the portion of the cost to repair, rebuild, or replace property with like kind or quality. Demolition Cost is now included within the Debris Removal sub limit.

Tax treatment of profits is now considered part of Time Element coverage.

No specific sub limit applies to Brands and Labels

Miscellaneous Personal Property sub limit applies to coverage for personal property anywhere in the coverage territory located away from an insured location or miscellaneous unnamed location.

Time Element coverage may now be included for property while in Transit.

**Breakdown** of Equipment is covered as part of the policy rather than added by endorsement. Joint Loss Agreement available if no coverage provided for Breakdown of Equipment.

Additional insureds are automatically covered to their insurable interest if required by contract.

Producers are authorized to issue certificates of insurance pursuant to policy terms and conditions.

Priority of Payments clause included within policy wording.

Subject to additional conditions, the Insured may elect not to repair or replace damaged Covered Property, however, if loss settlement proceeds are expended on other capital expenditures, on property of the type insurable under this policy, related to the business activities of the Insured within two years from the date of loss, the lesser of the repair or replacement cost of such property will be paid.

Please note when a percentage deductible is indicated for Physical Damage; there is the option for the deductible amount to be based on declared values on file with us and not on the values at the time of the loss. This option will give you the ability to know your retention as well as help speed up the adjustment process.

#### 2.2.4. Policy Territory

Coverage under this Policy applies to all covered loss or damage that takes place in the United States of America, its territories and possessions, including the District of Columbia and the Commonwealth of Puerto Rico.

### 2.3. Limit of Liability

#### 2.3.1. Limits of Liability

An Insured Location is a **Location**:

Listed on a Schedule of Locations on file with Company; per most recent statement of values.

Covered as a **Miscellaneous Unnamed Location**; and

Covered under the terms and conditions of the Newly Acquired Coverage or Errors and Omissions Coverage.

The Policy Limit is \$165,000,000 for the total of all coverages combined. This includes any insured Time Element loss, regardless of the number of **Locations** involved subject to the following provisions:

1. The Company will pay no more in any one (1) **Occurrence** than its proportionate share of the Policy Limit.
2. When the Policy is written on a blanket basis, Limits of Liability stated below or elsewhere in this Policy are part of, and not in addition to, the Policy Limit.

The following are the Limits of Liability in an Occurrence unless otherwise shown. If, **NCP- No Coverage Provided** -is shown, then no coverage is provided for that item.

Limits of Liability and Coverage Part

Limit	Description						
\$160,000,000	Property Damage (PD) at scheduled locations: on file with the Company per most recent statement of values.						
\$9,600,000	Time Element (TE) at scheduled locations: on file with the Company per most recent statement of values. But not to exceed: <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">\$4,500,000</td> <td>GROSS EARNINGS</td> </tr> <tr> <td>\$5,000,000</td> <td>EXTRA EXPENSE</td> </tr> <tr> <td>\$100,000</td> <td>LEASEHOLD INTEREST</td> </tr> </table>	\$4,500,000	GROSS EARNINGS	\$5,000,000	EXTRA EXPENSE	\$100,000	LEASEHOLD INTEREST
\$4,500,000	GROSS EARNINGS						
\$5,000,000	EXTRA EXPENSE						
\$100,000	LEASEHOLD INTEREST						
\$1,000,000	ACCOUNTS RECEIVABLE						
\$5,000,000	COMPUTER SYSTEMS DAMAGE in the <b>Annual Aggregate</b>						
\$100,000	CONTINGENT TIME ELEMENT per occurrence but not to exceed a \$100,000 limit per <b>Direct Dependent Time Element Location</b> <b>NCP</b> for <b>Earth Movement, Flood, Named Storm</b> or Volcanic Eruption; <b>NCP</b> per <b>Indirect Dependent Time Element Location</b> ; \$100,000 limit per <b>ATTRACTION PROPERTY</b>						
\$10,000,000	DEBRIS REMOVAL						
\$250,000	DECONTAMINATION COSTS						
<b>NCP</b>	DEFERRED PAYMENTS						
\$5,000,000	ERRORS AND OMISSIONS						
\$250,000	EXPEDITING COSTS						
\$100,000	<b>FINE ARTS</b>						
\$100,000	FIRE DEPARTMENT SERVICE CHARGE						
\$10,000,000	INCREASED COST OF CONSTRUCTION						
\$250,000	LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL						
\$50,000	<b>LAND IMPROVEMENTS</b>						
\$100,000	MISCELLANEOUS PERSONAL PROPERTY						
\$250,000	<b>MISCELLANEOUS UNNAMED LOCATION</b>						
\$1,000,000	OFF PREMISES SERVICE INTERRUPTION						
\$100,000	PROFESSIONAL FEES						
<b>NCP</b>	RADIOACTIVE CONTAMINATION						
<b>NCP</b>	RESEARCH ANIMALS						
\$100,000	TENANTS PROHIBITED ACCESS in the <b>Annual Aggregate</b>						
\$100,000	TRANSIT						
\$5,000,000	<b>VALUABLE PAPERS AND RECORDS</b>						
\$5,000,000	<b>NEW CONSTRUCTION AND ADDITIONS</b>						
\$100,000	OFF PREMISES STORAGE FOR PROPERTY UNDER CONSTRUCTION						

\$100,000,000	<b>BREAKDOWN OF EQUIPMENT</b> not to exceed: \$250,000 for <b>AMMONIA CONTAMINATION</b> \$250,000 for <b>SPOILAGE</b>
\$10,000,000	<b>EARTH MOVEMENT</b> in the <b>Annual Aggregate</b> but not to exceed the following limits in the <b>Annual Aggregate</b> : a). <b>NCP</b> for property located in Zone 1 for <b>Earth Movement</b> as described in Appendix A & B. b). <b>NCP</b> for property located in Zone 2 for <b>Earth Movement</b> as described in Appendix A & B. c). \$5,000,000 as respects Newly Acquired Locations d). \$1,000,000 as respects <b>Miscellaneous Unnamed Locations</b>
\$10,000,000	<b>FLOOD</b> in the <b>Annual Aggregate</b> but not to exceed the following limits in the <b>Annual Aggregate</b> : a). \$5,000,000 as respects Locations with any part of the legal description within a <b>Special Flood Hazard Area (SFHA)</b> and not otherwise listed herein. b). \$10,000,000 as respects Locations with any part of the legal description within a <b>Moderate Flood Hazard Area (MFHA)</b> and not otherwise listed herein. c). \$5,000,000 as respects Newly Acquired Locations d). \$1,000,000 as respects <b>Miscellaneous Unnamed Locations</b>
\$165,000,000	<b>NAMED STORM</b> in the <b>Annual Aggregate</b> but not to exceed the following limits in the <b>Annual Aggregate</b> : a). <b>NCP</b> for property located in Zone 1 for <b>Named Storm</b> as described in Appendix C & D. b). <b>NCP</b> for property located in Zone 2 for <b>Named Storm</b> as described in Appendix C & D. c). \$5,000,000 as respects Newly Acquired Locations d). \$1,000,000 as respects <b>Miscellaneous Unnamed Locations</b>
\$165,000,000	Hail and windstorm other than <b>Named Storm</b> in the <b>Annual Aggregate</b>
\$100,000	Cyber Event in the annual aggregate

Causation Definition: The following term is included in the definition of the Peril as indicated:

**Storm Surge** is part of **Flood**

### 2.3.2. Time and Distance Limits of Liability.

Time and Distance Limits of Liability: In addition to the Limits of Liability shown elsewhere in this Policy, the following apply:

Located within 1 mile(s) of the Insured Location.	<b>ATTRACTION PROPERTY</b>
30 day period for property within 1 mile(s) but not to exceed a \$1,000,000 limit.	<b>CIVIL OR MILITARY AUTHORITY</b>
30 day(s)	The actual Time Element loss sustained by the Insured arising out of the <b>Delay in Completion</b>
12 months	<b>GROSS EARNINGS</b>

180 day(s)	EXTENDED PERIOD OF LIABILITY
Not Applicable	<b>ORDINARY PAYROLL</b>
30 day period but not to exceed a \$100,000 limit.	IMPOUNDED WATER
30 day period for property within 1 mile(s) but not to exceed a \$1,000,000 limit.	INGRESS/EGRESS
30 day period but not to exceed a \$100,000 limit.	INTERNATIONAL INTERDEPENDENCY
90 day period but not to exceed a \$5,000,000 limit per <b>Location.</b>	NEWLY ACQUIRED
48 hours for Gross Earnings: not to exceed a \$100,000 limit per <b>Location.</b>	PROTECTION AND PRESERVATION OF PROPERTY in the <b>Annual Aggregate</b>
12 months but not to exceed a \$100,000 limit.	RESEARCH AND DEVELOPMENT

Protection and Preservation of Property is an annual aggregate.

Gross Earnings is provided for the following two locations only with the stated sublimit for each:

- Water Plant / Office located at 386 Ranch Road 7150G, Laredo, TX - \$20,000
- Jail located at 1000 Washington Street, Laredo, TX - \$4,480,000

### 2.3.3. Time Specifications:

<b>EARTH MOVEMENT Occurrence</b>	168 hours
<b>NAMED STORM Occurrence</b>	72 hours
Cancellation for non-payment of premium	10 days
Cancellation for any other reason	45 days

### 2.4. Qualifying Period

For the Coverages listed below the following **Qualifying Period** applies:

OFF PREMISES SERVICE INTERRUPTION PROPERTY DAMAGE & TIME ELEMENT COVERAGE applies separately at each location.	24 Hours
COMPUTER SYSTEMS DAMAGE COVERAGE	48 Hours
TENANTS PROHIBITED ACCESS COVERAGE applies separately at each location.	48 Hours
NEW CONSTRUCTION AND ADDITIONS: <b>Delay in Completion</b> applies separately at each location.	30 Days
Cyber Event	48 Hours

## 2.5. Insured's Deductibles

Each claim for loss or damage as insured against arising out of any one (1) **Occurrence** shall be adjusted separately. The Company shall not be liable unless the Insured sustains loss or damage in excess of the deductible(s) stated below and then only for the proportionate share of such excess amount(s).

A deductible that applies on a per **Location** basis will apply separately to each **Location** where the physical loss or damage occurred regardless of the number of **Locations** involved in the **Occurrence**.

Unless stated otherwise, if two or more deductibles apply to an **Occurrence**, the total deducted will not exceed the largest applicable deductible. If two or more deductibles apply on a per **Location** basis in an **Occurrence**, the largest deductible applying to each **Location** will be applied separately to each such Location.

If separate Property Damage and Time Element loss deductibles are shown, then the deductibles shall apply separately.

When a "minimum deductible" per **Occurrence** is shown and is applicable to an **Occurrence**, the "minimum deductible" is the minimum dollar amount of covered damage that the Insured will retain in any one (1) **Occurrence**. The amount retained for purposes of applying the "minimum deductible" is the sum of:

the specified location deductible for each location where the amount of covered damage exceeds the specified location deductible; and

the amount of covered damage for each location where the amount of covered damage is less than specified location deductible.

### 2.5.1. Policy Deductible(s)

\$50,000 combined Property Damage (PD) and Time Element (TE)  
per **Occurrence** except as follows:

### 2.5.2. Exceptions to Policy Deductible(s)

#### 2.5.2.1. Contingent Time Element

\$100,000 per **Location**

#### 2.5.2.2. Earthquake

The following deductibles apply to loss or damage caused by or resulting from Earthquake. This Earthquake deductible will apply regardless of any other deductibles that may also apply.

\$50,000 combined Property Damage (PD) and Time Element (TE)  
per **Occurrence**;

#### 2.5.2.3. Flood

The following deductibles apply to loss or damage caused by or resulting from **Flood**. This **Flood** deductible will apply regardless of any other deductibles that may also apply.

\$50,000 combined Property Damage (PD) and Time Element (TE)  
per **Occurrence** except as follows:

As respects **Locations** in with any part of the legal description within a **Special Flood Hazard Area (SFHA)**:

Property Damage (PD) and Time Element (TE) combined - \$500,000 , for the **Location** where the direct physical loss or damage occurred, per **Location**.

As respects **Locations** with any part of the legal description within a **Moderate Flood Hazard Area (MFHA)**:  
Property Damage (PD) and Time Element (TE) combined - \$100,000 , per **Occurrence**.

**Special Flood Hazard Area (SFHA)** - Is an area defined by FEMA or any foreign equivalent that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to by FEMA as the base flood or 100-year flood. **SFHA's** per FEMA include but are not limited to Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. If not defined by FEMA or any foreign equivalent, it is an area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year.

**Moderate Flood Hazard Area** - Is an area defined by FEMA or any foreign equivalent, between the limits of the base flood and the 0.2-percent-annual-chance or 500-year flood. A **Moderate Flood Hazard Area** is shown on the FIRM per FEMA and includes but is not limited to Zone B or Zone X (shaded). If not defined by FEMA or any foreign equivalent, it is an area between the limits of the base flood and the 0.2-percent-annual-chance or 500-year flood.

#### 2.5.2.4. Named Storm

The following deductibles apply to loss or damage caused by or resulting from **Named Storm**. The **Named Storm** deductible will apply regardless of any other deductibles that may also apply.

\$250,000 combined Property Damage (PD) and Time Element (TE)  
per **Occurrence**;

#### 2.5.2.5. Breakdown of Equipment Deductible(s)

\$10,000 combined Property Damage (PD) and Time Element (TE)  
per **Occurrence** for loss or damage caused by **Breakdown**;

#### 2.5.2.6. Water or Liquid Damage Deductible(s)

The following deductible applies to loss or damage caused by or resulting from covered water or other liquids not otherwise excluded, but not caused by **flood** or discharge in response to a fire.

\$100,000 combined Property Damage (PD) and Time Element (TE)  
per **Location** for loss or damage caused by water or liquid damage;

#### 2.5.2.7. Hail and Windstorm Other than **Named Storm** Deductible(s)

The following deductible applies to loss or damage caused by or resulting from hail and windstorm other than **Named Storm**:

\$250,000 Property Damage (PD) and Time Element (TE) per **Occurrence**

#### 2.5.2.8. In consideration of the policy premium, it is hereby agreed the following deductible applies to loss or damage arising out of riot or civil commotion (not otherwise excluded by paragraph 3.03.03.02 - the war exclusion - in the EXCLUSIONS section of this policy):

\$250,000 Property Damage (PD) and Time Element (TE) per Occurrence

## 2.6. Additional Comments, Terms, Conditions or Endorsements:

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### Specification Differences

This Property Insurance Proposal may differ from the original specifications requested and only the coverage(s), limitations, terms and conditions contained in this proposal shall apply.

This Property Insurance Proposal is subject to the terms and conditions of The Zurich Edge form unless indicated otherwise. While this proposal attempts to summarize and highlight the proposed policy form, it is not complete, and the policy form should be reviewed for complete details. It is important to carefully read the policy and its endorsements to determine rights, duties and what is and is not covered.

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### Valuation

In the event of any claim for direct physical loss of or damage to insured property, the basis of adjustment is on a Replacement Cost basis unless a specific valuation applies. Replacement Cost shall be the cost to repair, rebuild or replace the damaged property (without deduction for depreciation) with materials of like kind, quality and capacity at the same or another site

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## 2.7. Coverage Not Included

Not Applicable

## 2.8. Captive Conditions

Not Applicable

## 2.9. Terrorism Coverage

Terrorism coverage is included for locations in the United States, territories and its possessions unless coverage declined. Refer to the attached **Important Disclosure Notice** regarding the Terrorism Risk Act of 2002 as amended.

## 2.10. Applicable Law and Jurisdiction.

Any disputes arising hereunder will be exclusively subject to the jurisdiction of a court of competent jurisdiction within the USA.

### 3. Premium

#### 3.1. Annual Premium (To Zurich)

<b>Premium Amount</b>	<b>Description of Premium Amount</b>
\$212,000.00	Policy Premium excluding Terrorism in the USA
\$2,264.00	Premium for Certified Terrorism Coverage on described location per TRIA
\$214,264.00	Gross Policy Premium excluding all Taxes, Fees and Surcharges
To be determined	Total Taxes, Fees & Surcharges
Not Applicable	Texas Sales and Use Tax
\$18,180.00	Risk Engineering Service Fee (not subject to Commission)
Not Applicable	Underwriting Service Fee (not subject to Commission)
\$232,444.00	Total Cost (Zurich Premium, Zurich Risk Engineering, Zurich Underwriting Service Fee) excluding all other Taxes, Fees and Surcharges

All premiums quoted are net of any Taxes, Fees and Surcharges; any International Taxes, Fees, Surcharges and Reinsurance Taxes; as well as local mandatory or voluntary government pools or coverage schemes. All of these may apply and would be in addition to the above.

The stated annual premium is based upon a reported amount of \$164,408,360.00 total insurable value. This policy may be subject to countersignature fees where applicable.

#### 3.2. Taxes, Surcharges and Assessments

a) Insurance Premium Taxes: Please note that the premium shown above is net of taxes, surcharges, assessments and duties unless otherwise indicated.

b) Applicable taxes will apply to qualifying services.

#### 3.3. Other Fees

Not Applicable

#### 3.4. Brokerage

Not Applicable

#### 3.5. Premium Payment Terms

Premium is due and payable within thirty (30) days of binding coverage.

### 4. Other Conditions

#### 4.1. Binding Conditions / Subjectivities

Information required prior to binding:

None

**Inspections and Recommendations:**

Our property loss prevention services are either included in the premium or supplemented by the risk engineering fee, if any, shown in the premium and fee section and are subject to our determination of the degree of services necessary unless otherwise specified. Additional services can be added on a fee basis. Upon binding, we will need a survey contact person's name and phone number to set up inspections shortly after binding.

If Equipment Breakdown is not excluded, and we are responsible for the jurisdictional inspections, we will need contacts for all locations in order to confirm needed jurisdictional inspections. Fees charged for certificates issued by those having authority to do so are the responsibility of the Insured and not a part of this Property Insurance Proposal.

**Risk Engineering:**

Property Risk Engineering Services

- 1000 Houston Street, Laredo, TX
- 1002 Farragut Street, Laredo, TX
- 111 Camino Nuevo, Laredo, TX
- 513-515 Martha Drive, Laredo, TX

Equipment Breakdown Services

- Required jurisdictional services

**4.2. Additional Documents**

State amendatory endorsements as required

Natural Catastrophe Zones as per attached Appendix A, B, C, and D.

**5. Validity of the Quotation**

This Property Insurance Proposal is valid until: August 31, 2020

This Property Insurance Proposal is strictly conditional upon no material change in the risk and no known new losses occurring between the date of this proposal and the inception date of the proposed policy. In the event of such change in risk, the Insurer may in its sole discretion, whether or not this proposal has been already accepted by the Insured, modify or withdraw this Property Insurance Proposal.

Jeffrey Heidelberg  
Addison, TX 75001  
July 15, 2020

Authorized Representative

# Appendix A - Earth Movement/Earthquake Zones for USA including its Commonwealths and Territories



This list is for informational purposes only and does not convey any coverage under the policy.

COUNTRY - The United States of America		
STATE	ZONE	COUNTIES/PARISHES/INDEPENDENT CITIES
ALABAMA	3	Colbert, Franklin, Lauderdale, Lawrence, Limestone, Morgan
	4	Balance of State
ALASKA	1	Balance of State
	2	North Slope
ARIZONA	4	Entire State
ARKANSAS	1	Clay, Craighead, Crittenden, Cross, Greene, Lee, Mississippi, Poinsett, St Francis
	2	Independence, Jackson, Lawrence, Lonoke, Monroe, Phillips, Prairie, Randolph, Sharp, White, Woodruff
	3	Arkansas, Cleburne, Cleveland, Desha, Drew, Faulkner, Fulton, Grant, Izard, Jefferson, Lincoln, Pulaski, Saline, Stone
	4	Balance of State
CALIFORNIA	1	Entire State
COLORADO	4	Entire State
CONNECTICUT	4	Entire State
DELAWARE	4	Entire State
D. C. (Territory)	4	District of Columbia – Washington D. C.
FLORIDA	4	Entire State
GEORGIA	4	Entire State
HAWAII	1	Entire State
IDAHO	3	Bannock, Bear Lake, Caribou, Franklin, Oneida, Power
	4	Balance of State
ILLINOIS	1	Alexander, Pulaski
	2	Bond, Clay, Clinton, Edwards, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jefferson, Johnson, Lawrence, Madison, Marion, Massac, Monroe, Perry, Pope, Randolph, Richland, St. Clair, Saline, Union, Wabash, Washington, Wayne, White, Williamson
	3	Calhoun, Christian, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Greene, Jasper, Jersey, Macoupin, Montgomery, Morgan, Moultrie, Pike, Sangamon, Scott, Shelby
	4	Balance of State
INDIANA	2	Crawford, Daviess, Dubois, Gibson, Greene, Knox, Lawrence, Martin, Orange, Perry, Pike, Posey, Spencer, Sullivan, Vanderburgh, Warrick
	3	Brown, Clay, Fayette, Johnson, Morgan, Monroe, Owen, Rush, Shelby, Union, Vigo
	4	Balance of State
IOWA	4	Entire State
KANSAS	4	Entire State
KENTUCKY	1	Ballard, Carlisle, Fulton, Hickman, McCracken
	2	Breckinridge, Butler, Caldwell, Calloway, Christian, Crittenden, Daviess, Graves, Hancock, Henderson, Hopkins, Livingston, Logan, Lyon, Marshall, McLean, Muhlenberg, Ohio, Simpson, Todd, Trigg, Union, Warren, Webster
	4	Balance of State
LOUISIANA	4	Entire State
MAINE	4	Entire State
MARYLAND	4	Entire State

STATE	ZONE	COUNTIES/PARISHES/INDEPENDENT CITIES
MASSACHUSETTS	4	Entire State
MICHIGAN	4	Entire State
MINNESOTA	4	Entire State
MISSISSIPPI	1	DeSoto, Tunica
	2	Alcorn, Benton, Bolivar, Coahoma, Lafayette, Leflore, Marshall, Panola, Pontotoc, Prentiss, Quitman, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Union, Yalobusha
	3	Calhoun, Carroll, Chickasaw, Choctaw, Clay, Grenada, Holmes, Humphreys, Issaquena, Itawamba, Lee, Lowndes, Monroe, Montgomery, Oktibbeha, Sharkey, Warren, Washington, Webster, Yazoo
	4	Balance of State
MISSOURI	1	Bollinger, Butler, Cape Girardeau, Dunklin, Mississippi, New Madrid, Pemiscot, Scott, Stoddard
	2	Carter, Iron, Jefferson, Madison, Oregon, Perry, Reynolds, Ripley, St. Francois, Ste. Genevieve, St. Charles, St. Louis, Washington, Wayne, and the City of St Louis
	3	Audrain, Callaway, Cole, Crawford, Dent, Franklin, Gasconade, Howell, Lincoln, Maries, Marion, Miller, Montgomery, Osage, Phelps, Pike, Pulaski, Ralls, Shannon, Texas, Warren
	4	Balance of State
MONTANA	4	Entire State
NEBRASKA	4	Entire State
NEVADA	1	Carson City, Douglas
	2	Lyon, Storey, Washoe
	3	Clark
	4	Balance of State
NEW HAMPSHIRE	4	Entire State
NEW JERSEY	4	Entire State
NEW MEXICO	4	Entire State
NEW YORK	4	Entire State
NORTH CAROLINA	4	Entire State
NORTH DAKOTA	4	Entire State
OHIO	4	Entire State
OKLAHOMA	4	Entire State
OREGON	2	Clackamas, Multnomah, Washington
	3	Benton, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Polk, Tillamook, Yamhill
	4	Balance of State
PENNSYLVANIA	4	Entire State
RHODE ISLAND	4	Entire State
SOUTH DAKOTA	4	Entire State
SOUTH CAROLINA	1	Berkely, Charleston, Dorchester
	3	Bamberg, Beaufort, Calhoun, Clarendon, Colleton, Georgetown, Hampton, Jasper, Orangeburg, Richland, Sumter, Williamsburg
	4	Balance of State
TENNESSEE	1	Crockett, Dyer, Haywood, Lake, Lauderdale, Obion, Shelby, Tipton
	2	Benton, Carroll, Chester, Decatur, Fayette, Gibson, Hardeman, Hardin, Henderson, Henry, Humphreys, Madison, McNairy, Weakley
	3	Cheatham, Davidson, Dickson, Hickman, Houston, Lawrence, Lewis, Montgomery, Perry, Robertson, Stewart, Wayne
	4	Balance of State
TEXAS	4	Entire State

<b>STATE</b>	<b>ZONE</b>	<b>COUNTIES/PARISHES/INDEPENDENT CITIES</b>
UTAH	2	Davis, Salt Lake, Utah
	3	Cache, Morgan, Rich, Summit, Wasatch, Weber
	4	Balance of State
VERMONT	4	Entire State
VIRGINIA	4	Entire State
WASHINGTON	1	Clallam, Island, Jefferson, King, Kitsap, Mason, Pierce, San Juan, Thurston
	2	Skagit, Snohomish, Whatcom
	3	Clark, Cowlitz, Grays Harbor, Lewis, Pacific, Skamania, Wahkiakum,
	4	Balance of State
WEST VIRGINIA	4	Entire State
WISCONSIN	4	Entire State
WYOMING	4	Entire State

Commonwealths and Territories of The United States of America		
	<b>ZONE</b>	
AMERICAN SAMOA	2	Entire Territory
GUAM	1	Entire Territory
NORTHERN MARIANA ISLANDS	2	Entire Commonwealth
PUERTO RICO	1	Entire Commonwealth
U.S. VIRGIN ISLANDS	1	Entire Territory for Limits of Liability
	2	Entire Territory for Deductibles
All other US Territories and Possessions	2	Entire Territory

# Appendix B - Earth Movement/Earthquake Zones Worldwide except USA its Commonwealths and Territories



This list is for informational purposes only and does not convey any coverage under the policy.

Country	Zone	Provinces/Territories/States/Counties
ALBANIA	1	Entire Country
ALGERIA	2	Balance of Country
	4	Adrar, Bechar, Tamanghasset, Ouargla, Illizi, Tindouf, Ghardaia
ANDORRA	4	Entire Country
ANGUILLA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ANTARCTICA	3	Entire Country
ANTIGUA & BARBUDA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ARGENTINA	1	Mendoza, Neuquen, San Juan
	2	Catamarca, Jujuy, Salta, Tucuman
	4	Balance of Country
ARMENIA	1	Entire Country
ARUBA	3	Entire Country
AUSTRALIA including Christmas Island, Cocos (Keeling) Islands	2	Christmas Island , Cocos (Keeling) Islands
	3	Western Australia
	4	Balance of Country
AUSTRIA	4	Entire Country
AZERBAIJAN	1	Entire Country
BAHAMAS	4	Entire Country
BAHRAIN	4	Entire Country
BANGLADESH	1	Entire Country
BARBADOS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
BELARUS	4	Entire Country
BELGIUM	3	Entire Country
BELIZE	2	Entire Country
BENIN	4	Entire Country
BERMUDA	4	Entire Country
BHUTAN	1	Balance of Country
	2	Gasa
BOLIVIA	1	La Paz
	2	Oruro, Potosi, Tarija
	3	Beni, Chuquisaca, Cochabamba, Pando, Santa Cruz
BOSNIA & HERZEGOVINA	2	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
BOTSWANA	4	Entire Country
BRAZIL	4	Entire Country
BRITISH VIRGIN ISLANDS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
BRUNEI DARUSSALAM	3	Entire Country
BULGARIA	2	Entire Country
BURKINA FASO	4	Entire Country
BURUNDI	2	Entire Country
CAMBODIA	4	Entire Country
CAMEROON	3	Entire Country
CANADA	2	British Columbia, Ontario, Quebec, Yukon except listed postal codes with first 3 characters in Zones 3 and 4
	3	<p>British Columbia Postal Codes: V8C, V8G, V0M, V0T, V0V, V1M, V2P, V2R, V2S, V2T, V2V, V2W, V2X, V2Y, V3B, V3C, V3E, V3G, V3H, V3J, V3K, V3L, V3N, V3R, V3T, V3V, V3Y, V4N, V4R, V4S, V4W, V4X, V4Z, V5A, V5B, V5C, V5E, V5G, V5H, V5J, V5K, V5L, V5M, V5N, V5R, V5T, V5V, V5Y, V5Z, V6A, V6B, V6C, V6E, V6G, V6H, V6J, V6K, V6L, V6R, V6T, V6Z, V7G, V7H, V7J, V7K, V7L, V7M, V7N, V7P, V7R, V7S, V7T, V7V, V7W, V7X, V7Y, V8B, V8J</p> <p>New Brunswick Postal Codes: E1G, E1N, E1V, E1X, E2A, E2E, E2G, E2H, E2J, E2K, E2L, E2M, E2N, E2P, E2R, E2S, E2V, E3A, E3B, E3C, E3E, E3L, E3N, E3V, E3Y, E3Z, E4A, E4B, E4C, E4E, E4G, E4J, E4S, E4T, E4V, E4W, E4X, E4Y, E4Z, E5A, E5B, E5C, E5E, E5H, E5J, E5K, E5L, E5M, E5N, E5P, E5R, E5S, E5T, E5V, E6A, E6B, E6C, E6E, E6G, E6H, E6J, E6K, E6L, E7A, E7B, E7C, E7E, E7G, E7H, E7J, E7K, E7L, E7M, E7N, E7P, E8A, E8B, E8C, E8E, E8G, E8J, E8K, E8L, E8M, E8N, E8P, E8R, E9A, E9B, E9C, E9E, E9G, E9H,</p> <p>Ontario Postal Codes: K0E, K0G, K6T, K6V, K7A, K7H</p> <p>Quebec Postal Codes: G0E, G0J, G0K, G0M, G0N, G0P, G0S, G0V, G0Y, G0Z, G4R, G4S, G5B, G5J, G5X, G5Y, G5Z, G6A, G6B, G6E, G6G, G6H, G6J, G6K, G6L, G6P, G6R, G6S, G6T, G7A, G7B, G7G, G7H, G7J, G7K, G7N, G7P, G7S, G7T, G7X, G7Y, G7Z, G8A, J0A, J0B, J0E, J0H, J0J, J1A, J1C, J1E, J1G, J1H, J1J, J1K, J1L, J1M, J1N, J1R, J1S, J1T, J1X, J2G, J2H, J2J, J2K, J2L, J2M, J2N, J2R, J2S, J2T, J2X, J3M, J9V</p>

Country	Zone	Provinces/Territories/States/Counties
CANADA (continued)	4	<p>British Columbia Postal Codes: V0C,V0J,V1J,V2K,V2M,V0A,V0B,V0E,V0G,V0H,V0K,V0L,V0W,V0X,V1A,V1B,V1C,V1E,V1G,V1H,V1K,V1L,V1N,V1P,V1R,V1S,V1T,V1V,V1W,V1X,V1Y,V1Z,V2A,V2B,V2C,V2E,V2G,V2H,V2J,V2L,V2N,V4T,V4V</p> <p>Ontario Postal Codes: K0H,K0K,K0L,K0M,K7G,K7K,K7L,K7M,K7N,K7P,K7R,K8N,K8P,K8R,K8V,K9A,K9H,K9J,K9K,K9L,K9V,L0A,L0B,L0C,L0E,L0G,L0H,L0J,L0K,L0L,L0M,L0N,L0P,L0R,L0S,L1A,L1B,L1C,L1E,L1G,L1H,L1J,L1K,L1L,L1M,L1P,L1R,L1S,L1T,L1V,L1W,L1X,L1Y,L1Z,L2A,L2E,L2G,L2H,L2J,L2M,L2N,L2P,L2R,L2S,L2T,L2V,L2W,L3B,L3C,L3K,L3M,L3P,L3R,L3S,L3T,L3V,L3X,L3Y,L3Z,L4A,L4B,L4C,L4E,L4G,L4H,L4J,L4K,L4L,L4M,L4N,L4P,L4R,L4S,L4T,L4V,L4W,L4X,L4Y,L4Z,L5A,L5B,L5C,L5E,L5G,L5H,L5J,L5K,L5L,L5M,L5N,L5P,L5R,L5S,L5T,L5V,L5W,L6A,L6B,L6C,L6E,L6G,L6H,L6J,L6K,L6L,L6M,L6P,L6R,L6S,L6T,L6V,L6W,L6X,L6Y,L6Z,L7A,L7B,L7C,L7E,L7G,L7J,L7K,L7L,L7M,L7N,L7P,L7R,L7S,L7T,L8E,L8G,L8H,L8J,L8K,L8L,L8M,L8N,L8P,L8R,L8S,L8T,L8V,L8W,L9A,L9B,L9C,L9G,L9H,L9K,L9L,L9M,L9N,L9P,L9R,L9S,L9T,L9V,L9W,L9Y,L9Z,M1B,M1C,M1E,M1G,M1H,M1J,M1K,M1L,M1M,M1N,M1P,M1R,M1S,M1T,M1V,M1W,M1X,M2H,M2J,M2K,M2L,M2M,M2N,M2P,M2R,M3A,M3B,M3C,M3H,M3J,M3K,M3L,M3M,M3N,M4A,M4B,M4C,M4E,M4G,M4H,M4J,M4K,M4L,M4M,M4N,M4P,M4R,M4S,M4T,M4V,M4W,M4X,M4Y,M5A,M5B,M5C,M5E,M5G,M5H,M5J,M5K,M5L,M5M,M5N,M5P,M5R,M5S,M5T,M5V,M5W,M5X,M6A,M6B,M6C,M6E,M6G,M6H,M6J,M6K,M6L,M6M,M6N,M6P,M6R,M6S,M7A,M7Y,M8V,M8W,M8X,M8Y,M8Z,M9A,M9B,M9C,M9L,M9M,M9N,M9P,M9R,M9V,M9W,N0A,N0B,N0C,N0E,N0G,N0H,N0J,N0K,N0L,N0M,N0N,N0P,N0R,N1A,N1C,N1E,N1G,N1H,N1K,N1L,N1M,N1P,N1R,N1S,N1T,N2A,N2B,N2C,N2E,N2G,N2H,N2J,N2K,N2L,N2M,N2N,N2P,N2R,N2T,N2V,N2Z,N3A,N3B,N3C,N3E,N3H,N3L,N3P,N3R,N3S,N3T,N3V,N3W,N3Y,N4B,N4G,N4K,N4L,N4N,N4S,N4T,N4V,N4W,N4X,N4Z,N5A,N5C,N5H,N5L,N5P,N5R,N5V,N5W,N5X,N5Y,N5Z,N6A,N6B,N6C,N6E,N6G,N6H,N6J,N6K,N6L,N6M,N6N,N6P,N7A,N7G,N7L,N7M,N7S,N7T,N7V,N7W,N7X,N8A,N8H,N8M,N8N,N8P,N8R,N8S,N8T,N8V,N8W,N8X,N8Y,N9A,N9B,N9C,N9E,N9G,N9H,N9J,N9K,N9V,N9Y,P0A,P0B,P0C,P0E,P0G,P0H,P0J,P0K,P0L,P0M,P0N,P0P,P0R,P0S,P0T,P0V,P0W,P0X,P0Y,P1A,P1B,P1C,P1H,P1L,P1P,P2A,P2B,P2N,P3A,P3B,P3C,P3E,P3G,P3L,P3N,P3P,P3Y,P4N,P4P,P4R,P5A,P5E,P5N,P6A,P6B,P6C,P7A,P7B,P7C,P7E,P7G,P7J,P7K,P7L,P8N,P8T,P9A,P9N</p> <p>Quebec Postal Codes: G0C,G0G,G0W,G4T,G4X,G8B,G8C,G8E,G8G,G8H,G8J,G8K,G8L,G8M,G8N,G8P,J0M,J0Y,J0Z,J9P,J9T,J9X,J9Y,J9Z</p> <p>Balance of Country</p>
CAPE VERDE	4	Entire Country
CAYMAN ISLANDS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
CENTRAL AFRICAN REPUBLIC	4	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
CHAD	4	Entire Country
CHILE	1	Entire Country
CHINA	1	Liaoning, Tianjin, Hebei, Shandong, Gansu, Sichuan, Shaanxi, Yunnan
	2	Tibet Autonomous Region, Macau
	3	Balance of Country
	4	Hong Kong
COLOMBIA	1	Antioquia, Cauca, Choco, Narino, Quindio, Risaralda, Valle del Cauca, Bogota
	2	Balance of Country
	3	Amazona, Arauca, Caqueta, Casanare, Guainia, Guaviare, Meta, Putumayo, San Anres and Providencia, Vaupes, Vichada
COMOROS	4	Entire Country
CONGO, REPUBLIC OF	2	Entire Country
COOK ISLANDS	2	Entire Country
COSTA RICA	1	Entire Country
CROATIA	2	Entire Country
CURACAO	3	Entire Country
CYPRUS	2	Entire Country
CZECH REPUBLIC	3	Entire Country
DENMARK	4	Entire Country
DJIBOUTI	2	Entire Country
DOMINICA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
DOMINICAN REPUBLIC	1	Entire Country
ECUADOR	1	Entire Country
EGYPT	2	Cairo, Dakahlia, Damietta, Gharbia, Ismailia, Kafr el-Sheikh, Monufia, North Sinai, Port Said, Red Sea, Sharqia, Suez
	3	Balance of Country
EL SALVADOR	1	Entire Country
EQUATORIAL-GUINEA	4	Entire Country
ERITREA	2	Entire Country
ESTONIA	4	Entire Country
ETHIOPIA	2	Balance of Country
	3	Benishangul, Dure Dawa, Gambela, Harari, Somalia, Tigray
FAROE ISLANDS	4	Entire Country
FEDERATED STATES OF MICRONESIA	2	Entire Country
FIJI	1	Entire Country
FINLAND	4	Entire Country
FRANCE	3	Entire Country
FRENCH GUIANA	4	Entire Country
FRENCH POLYNESIA	4	Entire Country
GABON	2	Ogooue-Ivindo, Ogooue-Lolo
	3	Balance of Country
GAMBIA	4	Entire Country
GERMANY	3	Entire Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
GHANA	1	Accra
	2	Balance of Country
GIBRALTAR	3	Entire Country
GREECE	1	Entire Country
GREENLAND	3	Entire Country
GRENADA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
GUADELOUPE	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
GUATEMALA	1	Balance of Country
	3	Peten
GUINEA	2	Boke
	3	Balance of Country
GUINEA-BISSAU	3	Entire Country
GUYANA	3	Entire Country
HAITI	1	Entire Country
HONDURAS	1	Balance of Country
	3	Atlantida, Colon, Comayagua, El Paraiso, Francisco Morazan, Gracias a Dios, Islas de la Bahia, Olancho, Yoro
HUNGARY	3	Entire Country
ICELAND	2	Northeast Region, South Region, Southern Peninsula Region, Capital Region
	3	Balance of Country
INDIA	1	Arunachal Pradesh, Assam, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Uttarakhand
	3	Balance of Country
INDONESIA	2	Balance of Country
	3	(Borneo)-East Kalimantan, South Kalimantan, West Kalimantan, Central Kalimantan, Riau, Jambi, South Sulawesi, Southeast Sulawesi, Bangka-Belitung, West Nusa Tenggara
IRAQ	2	Entire Country
IRELAND	4	Entire Country
ISLE OF MAN	3	Entire Country
ISRAEL	1	Entire Country
ITALY	1	Balance of Country
	3	Liguria, Lombardy, Marche, Piedmont, Aosta Valley, Trentino-Alto Adige/Südtirol, Veneto, Sardinia
IVORY COAST (COTE-D'IVOIRE)	4	Entire Country
JAMAICA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
JAPAN	1	Balance of Country
	2	Prefectures of Akita, Fukui, Fukuoka, Gifu, Gunma, Hiroshima, Ishikawa, Kagoshima, Niigata, Okayama, Okinawa, Saga, Shimane, Tochigi, Tottori, Toyama, Yamaguchi

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
JORDAN	1	Balance of Country
	3	Ma'an
KAZAKHSTAN	1	Entire Country
KENYA	2	Entire Country
KIRIBATI	2	Entire Country
KOSOVO	3	Entire Country
KUWAIT	4	Entire Country
KYRGYZSTAN (KYRGYZ REPUBLIC)	1	Entire Country
LAOS	2	Balance of Country
	3	Attapu, Bolikhamxai, Champasak, Khammouan, Salavan, Savannakhet, Xekong
LATVIA	4	Entire Country
LEBANON	1	Entire Country
LESOTHO	2	Balance of Country
	3	Berea, Butha-Buthe, Leribe, Mokhotlong, Thaba-Tseka
LIBERIA	4	Entire Country
LIBYA	2	Entire Country
LIECHTENSTEIN	4	Entire Country
LITHUANIA	4	Entire Country
LUXEMBOURG	4	Entire Country
MACEDONIA	1	Entire Country
MADAGASCAR	3	Entire Country
MALAWI	2	Entire Country
MALAYSIA	3	Entire Country
MALDIVES	4	Entire Country
MALI	4	Entire Country
MALTA	4	Entire Country
MARSHALL ISLANDS	4	Entire Country
MARTINIQUE	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
MAURITANIA	4	Entire Country
MAURITIUS	4	Entire Country
MAYOTTE	2	Entire Country
MEXICO	1	Balance of Country
	4	Chihuahua, Campeche, Coahuila, Durango, Nuevo Leon, Quintana Roo, San Luis Potosi, Sonora, Tamaulipas, Yucatan, Zacatecas
MOLDOVA	2	Entire Country
MONACO	3	Entire Country
MONGOLIA	1	Balance of Country
	2	Govi-Altai, Arkhangai, Bulgan, Selenge, Tov, Ovorkhangai
	3	Khentii, Dundgovi, Dornogovi, Dornod, Sukhbaatar
MONTENEGRO	2	Entire Country
MONTSERRAT	1	Entire Country For Limits
	2	Entire Country for Deductibles

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
MOROCCO	2	Fès-Boulemane (Fès) , Gharb-Chrarda-Béni Hssen (Kénitra), Tangier-Tétouan (Tangier)
	3	Taza-Al Hoceima-Taounate (Al Hoceima)
	4	Balance of Country
MOZAMBIQUE	2	Manica, Sofala, Zambezia
	3	Balance of Country
NAMIBIA	4	Entire Country
NAURU	2	Entire Country
NEPAL	1	Entire Country
NETHERLANDS	4	Balance of Country
	3	Bonaire
	1	Saba, Sint Eustatius for Limits of Liability
	3	Saba, Sint Eustatius for Deductibles
NEW CALEDONIA	3	Entire Country
NEW ZEALAND	1	Balance of Country
	3	Northland, Auckland, Waikato
NICARAGUA	1	Balance of Country
	3	RAAN (Bilwi), RAAS (Bluefields)
NIGER	4	Entire Country
NIGERIA	4	Entire Country
NIUE	2	Entire Country
NORFOLK ISLAND	2	Entire Country
NORWAY	4	Entire Country
OMAN	4	Entire Country
PAKISTAN	1	Balance of Country
	3	Punjab
PALAU	2	Entire Country
PALESTINE	1	Entire Country
PANAMA	2	Entire Country
PAPUA NEW GUINEA	1	Entire Country
PARAGUAY	4	Entire Country
PERU	1	Entire Country
PHILIPPINES	1	Entire Country
PITCAIRN ISLANDS	2	Entire Country
POLAND	4	Entire Country
PORTUGAL	2	Lisbon, Santarém, Faro, Azores Autonomous Region
	4	Balance of Country
QATAR	4	Entire Country
REUNION	4	Entire Country
ROMANIA	2	Entire Country
RUSSIAN FEDERATION	1	Kamchatka, Buryatia, Tuva, Altai Republic., Stavropol, Chechnya, Adygea, Krasnodar, Karachay-Cherkessia, Ingushetia, Dagestan, Kabardino-Balkaria, North Ossetia-Alania
	3	Balance of Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
RWANDA	2	Entire Country
SAMOA (WESTERN)	2	Entire Country
SAN MARINO	2	Entire Country
SAO TOME & PRINCIPE	4	Entire Country
SAUDI ARABIA	2	Jizan, Tabuk
	4	Balance of Country
SENEGAL	3	Entire Country
SERBIA	2	Entire Country
SEYCHELLES	4	Entire Country
SIERRA LEONE	4	Entire Country
SINGAPORE	4	Entire Country
SINT MAARTEN	1	Entire Country for limits of Liability
	3	Entire Country for Deductibles
SLOVAKIA	3	Entire Country
SLOVENIA	2	Entire Country
SOLOMON ISLANDS	1	Entire Country
SOMALIA	3	Entire Country
SOUTH AFRICA	2	Free State, Western Cape
	3	Balance of Country
SOUTH KOREA	3	Entire Country
SOUTHERN SUDAN	3	Entire Country
SPAIN	2	Andalusia, Murcia
	3	Balance of Country
SRI LANKA	3	Entire Country
ST. BARTHELEMY	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. KITTS AND NEVIS	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. LUCIA	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. MARTIN	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
ST. VINCENT AND GRENADINES	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
SURINAME	4	Entire Country
SWAZILAND	2	Entire Country
SWEDEN	4	Entire Country
SWITZERLAND	4	Entire Country
TAIWAN	1	Entire Country
TAJKISTAN	1	Entire Country
TANZANIA	2	Kigoma, Arusha, Singida, Dodoma, Manyara, Rukwa, Mbeya, Iringa, Ruvuma, Mtwara
	3	Balance of Country

<b>Country</b>	<b>Zone</b>	<b>Provinces/Territories/States/Counties</b>
THAILAND	2	Chiang Rai, Payao, Nan, Chang Mai, Mae Hong Son, Lampang, Lampun, Phrae, Uttaradit, Sukhothai, Tak, Phitsanulok, Kamphaeng Phet, Phichit, Nakhon Sawan, Uthai Thani, Kanchanaburi, Chai Nat, Lop Buri, Sara Buri, Nakon Nayok, Ang Thong, Phra Nakhon Si Ayuthaya, Nakhon Pathom, Sing Buri, Pathum Thani, Bangkok, Samut Songkhram, Samut Sakhon, Nonthaburi, Samut Prakan, Phetchaburi
	3	Balance of Country
TIMOR-LESTE	2	Entire Country
TOGO	3	Entire Country
TONGA	2	Entire Country
TRINIDAD AND TOBAGO	1	Entire Country for Limits of Liability
	2	Entire Country for Deductibles
TUNISIA	2	Ariana, Béja, Ben Arous, Bizerte, Gafsa, Jendouba, Manouba, Monastir, Nabeul, Sousse, Tunis, Zaghuan
	3	Balance of Country
TURKEY	1	Entire Country
TURKMENISTAN	1	Entire Country
TURKS AND CAICOS	1	Entire Country for Limits of Liability
	3	Entire Country for Deductibles
TUVALU	4	Entire Country
UGANDA	2	Entire Country
UKRAINE	4	Entire Country
UNITED ARAB EMIRATES	4	Entire Country
UNITED KINGDOM including Guernsey, Jersey	3	Entire Country
URUGUAY	4	Entire Country
UZBEKISTAN	1	Entire Country
VANUATU	2	Entire Country
VATICAN CITY	1	Entire Country
VENEZUELA	1	Balance of Country
	2	Carabobo, Aragua, Guarico, Vargas, Miranda, Dpto Capital, Anzoategui, Monagas
	4	Delta Amacuro, Bolivar, Amazonas
VIETNAM	2	Lai Chau, Lao Cai, Yen Bai, Son La, Hoa Binh, Vinh Phu, Hanoi, Hai Phong, Ha Tay, Hai Hung, Thai Binh, Nom Ha, Ninh Binh, Thanh Hoa, Nghe An, Ha Tinh, Quang Binh, Quang Ngai, Binh Dinh, Phu Yen, Khanh Hoa, Ninh Thuan
	3	Balance of Country
WESTERN SAHARA	4	Entire Country
YEMEN	4	Entire Country
ZAMBIA	2	Northern, Southern
	3	Balance of Country
ZIMBABWE	3	Entire Country

Any country not listed is Zone 1 unless stated differently in the Declarations of the Policy.

# Appendix C – Named Storm Zones for USA including its Commonwealths and Territories



This list is for informational purposes only and does not convey any coverage under the policy.

**WIND ZONES ARE DEFINED AS FOLLOWS:**  
**COUNTRY** – The United States of America

STATE	ZONE	COUNTIES/PARISHES/INDEPENDENT CITIES
Alabama	1	Baldwin, Mobile
	2	Clarke, Covington, Escambia, Geneva, Houston, Washington
Florida	1	Bay, Brevard, Broward, Calhoun, Charlotte, Citrus, Collier, Dixie, Duval, Escambia, Flagler, Franklin, Glades, Gulf, Hendry, Hernando, Hillsborough, Indian River, Jefferson, Lee, Levy, Liberty, Manatee, Martin, Miami-Dade, Monroe, Nassau, Okaloosa, Okeechobee, Palm Beach, Pasco, Pinellas, Saint Johns, Saint Lucie, Santa Rosa, Sarasota, Taylor, Volusia, Wakulla, Walton, Washington
	2	Balance of State
Georgia	1	Bryan, Camden, Chatham, Glynn, Liberty, McIntosh
	2	Appling, Brantley, Bulloch, Charlton, Effingham, Evans, Long, Pierce, Tattnall, Wayne
Hawaii	1	Entire State
Louisiana	1	Ascension, Assumption, Cameron, Iberia, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington
	2	Acadia, Allen, Beauregard, Calcasieu, East Baton Rouge, East Feliciana, Evangeline, Iberville, Jefferson Davis, Lafayette, Pointe Coupee, St. Landry, St. Helena, West Baton Rouge, West Feliciana
Maryland	1	Somerset, Wicomico, Worcester
Mississippi	1	George, Hancock, Harrison, Jackson, Pearl River, Stone
	2	Amite, Forrest, Greene, Lamar, Marion, Perry, Pike, Walthall, Wilkinson
North Carolina	1	Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Columbus, Craven, Currituck, Dare, Hyde, Jones, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, Washington
	2	Bladen, Duplin, Gates, Greene, Hertford, Lenoir, Pitt, Robeson, Sampson
South Carolina	1	Beaufort, Berkeley, Charleston, Colleton, Dorchester, Georgetown, Horry, Jasper
	2	Allendale, Bamberg, Clarendon, Dillon, Florence, Hampton, Marion, Williamsburg
Texas	1	Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jackson, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Orange, Refugio, San Patricio, Willacy
	2	Austin, Bee, Brooks, Colorado, DeWitt, Duval, Fort Bend, Goliad, Grimes, Hardin, Harris, Hidalgo, Jasper, Jim Hogg, Jim Wells, Lavaca, Liberty, Live Oak, McMullen, Montgomery, Newton, Polk, San Jacinto, Starr, Tyler, Victoria, Walker, Waller, Wharton
Virginia	1	Accomack, Gloucester, Isle of Wight, James City, Lancaster, Mathews, Middlesex, Northampton, Northumberland, Southampton, Surry, York
	1	Independent Cities: Chesapeake, Franklin City, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg
	2	Caroline, Charles City, Essex, Henrico, King and Queen, King George, King William, New Kent, Prince George, Richmond, Sussex, Westmoreland

Commonwealths and Territories of The United States of America		
	<b>ZONE</b>	
AMERICAN SAMOA	2	Entire Territory
GUAM	1	Entire Territory
NORTHERN MARIANA ISLANDS	1	Entire Commonwealth
PUERTO RICO	1	Entire Commonwealth
U.S. VIRGIN ISLANDS	1	Entire Territory
All other US Territories and Possessions	1	Entire Territory

# Appendix D – Named Storm Zones Worldwide except USA and its Commonwealths and Territories



This list is for informational purposes only and does not convey any coverage under the policy.

Country	Zone	Provinces/Territories/States/Counties
ALBANIA	4	Entire Country
ALGERIA	3	Entire Country
ANDORRA	3	Entire Country
ANGUILLA	1	Entire Country
ANTARCTICA	4	Entire Country
ANTIGUA & BARBUDA	1	Entire Country
ARMENIA	4	Entire Country
ARGENTINA	4	Entire Country
ARUBA	1	Entire Country for Limits of Liability
	3	Entire Country for Deductibles
AUSTRALIA including Christmas Island, Cocos (Keeling) Islands	1	Western Australia Postcodes: 6701,6707,6710,6711,6712,6713,6714,6716,6718,6720,6721,6722,6725,6726, 6728,6731,6733,6740,6743,6751,6754,6760,6762,6765, Northern Territory Postcodes: 0800,0810,0812,0820,0822,0828,0829,0830,0832, 0835,0836,0837,0838,0840,0841,0845,0846,0847,0850,0852,0853,0854,0862, 0880,0885,0886, Christmas Island, Cocos (Keeling) Islands
	2	Queensland Postcodes: 4580,4581,4620,4621,4630,4650,4655,4659,4660, 4662,4670,4671,4673,4674,4676,4677,4678,4680,4694,4695,4697,4699,4700, 4701,4702,4703,4704,4705,4706,4707,4710,4711,4712,4714,4715,4716,4717, 4718,4720,4721,4723,4737,4738,4739,4740,4741,4742,4743,4744,4745,4746, 4750,4751,4753,4754,4756,4757,4798,4799,4800,4801,4802,4803,4804,4805, 4806,4807,4808,4809,4810,4811,4812,4813,4814,4815,4816,4817,4818,4819, 4820,4830,4849,4850,4852,4854,4855,4856,4857,4858,4859,4860,4861,4865, 4868,4869,4870,4871,4872,4873,4874,4875,4876,4877,4878,4879,4880,4881, 4882,4883,4884,4885,4886,4887,4888,4890,4891,4895
	3	Balance of Country
AUSTRIA	4	Entire Country
AZERBAIJAN	4	Entire Country
BAHAMAS	1	Entire Country
BAHRAIN	4	Entire Country
BANGLADESH	1	Entire Country
BARBADOS	1	Entire Country
BELARUS	4	Entire Country

Country	Zone	Provinces/Territories/States/Counties
BELGIUM	3	Entire Country
BELIZE	1	Entire Country
BENIN	4	Entire Country
BERMUDA	1	Entire Country
BHUTAN	4	Entire Country
BOLIVIA	4	Entire Country
BOSNIA & HERZEGOVINA	4	Entire Country
BOTSWANA	3	Entire Country
BRAZIL	4	Entire Country
BRITISH VIRGIN ISLANDS	1	Entire Country
BRUNEI DARUSSALAM	4	Entire Country
BULGARIA	4	Entire Country
BURKINA FASO	4	Entire Country
BURUNDI	1	Entire Country
CAMBODIA	3	Entire Country
CAMEROON	4	Entire Country
CANADA	4	Entire Country
CAPE VERDE	3	Entire Country
CAYMAN ISLANDS	1	Entire Country
CENTRAL AFRICAN REPUBLIC	4	Entire Country
CHAD	3	Entire Country
CHILE	3	Entire Country
CHINA	1	Hainan, Macau, Guangdong, Fujian, Zhejiang, Shanghai, Jiangsu, Shangdong
	2	Hong Kong
	4	Balance of Country
COLOMBIA	3	Entire Country
COMOROS	3	Entire Country
CONGO, REPUBLIC OF	4	Entire Country
COOK ISLANDS	1	Entire Country
COSTA RICA	1	Entire Country
CROATIA	3	Entire Country
CURACAO	1	Entire Country for Limits of Liability
	3	Entire Country for Deductibles
CYPRUS	4	Entire Country
CZECH REPUBLIC	4	Entire Country

DENMARK	3	Entire Country
DJIBOUTI	4	Entire Country
DOMINICA	1	Entire Country
Country	Zone	Provinces/Territories/States/Counties
DOMINICAN REPUBLIC	1	Entire Country
ECUADOR	4	Entire Country
EGYPT	4	Entire Country
EL SALVADOR	2	Entire Country
EQUATORIAL GUINEA	4	Entire Country
ERITREA	4	Entire Country
ESTONIA	3	Entire Country
ETHIOPIA	4	Entire Country
FAROE ISLANDS	3	Entire Country
FEDERATED STATES OF MICRONESIA	1	Entire Country
FIJI	1	Entire Country
FINLAND	3	Entire Country
FRANCE	4	Entire Country
FRENCH GUIANA	4	Entire Country
FRENCH POLYNESIA	1	Entire Country
GABON	3	Entire Country
GAMBIA	4	Entire Country
GERMANY	3	Entire Country
GHANA	3	Entire Country
GIBRALTAR	3	Entire Country
GREECE	4	Entire Country
GREENLAND	4	Entire Country
GRENADA	1	Entire Country
GUADELOUPE	1	Entire Country
GUATEMALA	1	Izabal
	2	Balance of Country
GUINEA	4	Entire Country
GUINEA- BISSAU	4	Entire Country
GUYANA	3	Entire Country
HAITI	1	Entire Country
HONDURAS	1	Entire Country
HUNGARY	4	Entire Country
ICELAND	4	Entire Country

INDIA	1	Andhra Pradesh, Jharkhand, Mizoram, Orissa, Tamil Nadu, Telangana, Tripura, West Bengal
	3	Balance of Country
INDONESIA	3	Entire Country
IRAQ	4	Entire Country
IRELAND	3	Entire Country
ISLE OF MAN	3	Entire Country
Country	Zone	Provinces/Territories/States/Counties
ISRAEL	4	Entire Country
ITALY	3	Entire Country
IVORY COAST (COTE-D'IVOIRE)	4	Entire Country
JAMAICA	1	Entire Country
JAPAN	3	Regions of Hokkaido, Tohoku
	1	Balance of Country
JORDAN	4	Entire Country
KAZAKHSTAN	4	Entire Country
KENYA	3	Entire Country
KIRIBATI	1	Entire Country
KOSOVO	4	Entire Country
KUWAIT	4	Entire Country
KYRGYZSTAN (KYRGYZ REPUBLIC)	4	Entire Country
LAOS	3	Entire Country
LATVIA	3	Entire Country
LEBANON	4	Entire Country
LESOTHO	4	Entire Country
LIBERIA	4	Entire Country
LIBYA	4	Entire Country
LIECHTENSTEIN	4	Entire Country
LITHUANIA	3	Entire Country
LUXEMBOURG	4	Entire Country
MACEDONIA	4	Entire Country
MADAGASCAR	2	Entire Country
MALAWI	4	Entire Country
MALAYSIA	3	Entire Country
MALDIVES	3	Entire Country
MALI	4	Entire Country
MALTA	4	Entire Country

MARSHALL ISLANDS	2	Entire Country
MARTINIQUE	1	Entire Country
MAURITANIA	4	Entire Country
MAURITIUS	1	Entire Country
MAYOTTE	1	Entire Country
MEXICO	1	Baja California Sur, Colima, Campeche, Chiapas, Guerrero, Jalisco, Michoacan, Oaxaca, Quintana Roo, Tabasco, Tamaulipas, Veracruz, Yucatan
	4	Balance of Country
MOLDOVA	4	Entire Country
MONACO	3	Entire Country
Country	Zone	Provinces/Territories/States/Counties
MONGOLIA	4	Entire Country
MONTENEGRO	4	Entire Country
MONTserrat	1	Entire Country
MOROCCO	4	Entire Country
MOZAMBIQUE	1	Entire Country
NAMIBIA	4	Entire Country
NAURU	4	Entire Country
NEPAL	4	Entire Country
NETHERLANDS	4	Balance of Country
	1	Bonaire for Limits of Liability
	3	Bonaire for Deductibles
	1	Saba
	1	Sint Eustatius
NEW CALEDONIA	1	Entire Country
NEW ZEALAND	3	Entire Country
NICARAGUA	1	RAAN (Bilwi), RAAS (Bluefields)
	2	Balance of Country
NIGER	4	Entire Country
NIGERIA	4	Entire Country
NIUE	1	Entire Country
NORFOLK ISLAND	2	Entire Country
NORWAY	3	Entire Country
OMAN	3	Entire Country
PAKISTAN	3	Entire Country
PALAU	1	Entire Country
PALESTINE	4	Entire Country
PANAMA	3	Entire Country
PAPUA NEW GUINEA	3	Entire Country
PARAGUAY	4	Entire Country
PERU	4	Entire Country

PHILIPPINES	1	Entire Country
PITCAIRN ISLANDS	1	Entire Country
POLAND	3	Entire Country
PORTUGAL	3	Azores Autonomous Region
	4	Entire Country
QATAR	4	Entire Country
REUNION	1	Entire Country
ROMANIA	4	Entire Country
RUSSIAN FEDERATION	4	Entire Country
Country	Zone	Provinces/Territories/States/Counties
RWANDA	4	Entire Country
SAMOA (WESTERN )	1	Entire Country
SAN MARINO	4	Entire Country
SAO TOME & PRINCIPE	4	Entire Country
SAUDI ARABIA	4	Entire Country
SENEGAL	4	Entire Country
SERBIA	4	Entire Country
SEYCHELLES	3	Entire Country
SIERRA LEONE	4	Entire Country
SINGAPORE	4	Entire Country
SINT MAARTEN	1	Entire Country
SLOVAKIA	4	Entire Country
SLOVENIA	4	Entire Country
SOLOMON ISLANDS	2	Entire Country
SOMALIA	4	Entire Country
SOUTH AFRICA	4	Entire Country
SOUTH KOREA	2	Entire Country
SOUTHERN SUDAN	4	Entire Country
SPAIN	4	Entire Country
SRI LANKA	2	Entire Country
ST. BARTHELEMY	1	Entire Country
ST. KITTS AND NEVIS	1	Entire Country
ST. LUCIA	1	Entire Country
ST. MARTIN	1	Entire Country
ST. VINCENT AND THE GRENADINES	1	Entire Country
SURINAME	4	Entire Country

SWAZILAND	4	Entire Country
SWEDEN	3	Entire Country
SWITZERLAND	4	Entire Country
TAIWAN	1	Entire Country
TAJIKISTAN	4	Entire Country
TANZANIA	4	Entire Country
THAILAND	3	Entire Country
TIMOR-LESTE	3	Entire Country
TOGO	4	Entire Country
TONGA	1	Entire Country
TRINIDAD AND TOBAGO	1	Entire Country
TUNISIA	4	Entire Country
Country	Zone	Provinces/Territories/States/Counties
TURKEY	4	Entire Country
TURKMENISTAN	4	Entire Country
TURKS AND CAICOS	1	Entire Country
TUVALU	3	Entire Country
UGANDA	4	Entire Country
UKRAINE	4	Entire Country
UNITED ARAB EMIRATES	4	Entire Country
UNITED KINGDOM including Guernsey, Jersey	3	Entire Country
URUGUAY	3	Entire Country
UZBEKISTAN	4	Entire Country
VANUATU	1	Entire Country
VATICAN CITY	4	Entire Country
VENEZUELA	3	Entire Country
VIETNAM	2	Entire Country
WESTERN SAHARA	4	Entire Country
YEMEN	3	Entire Country
ZAMBIA	4	Entire Country
ZIMBABWE	4	Entire Country

Any country not listed is designated as Zone 1 unless stated differently in the Declarations of this Policy



**THIS DISCLOSURE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER ANY POLICY.**

## **DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT**

### **SCHEDULE\***

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

\$2,264.00

\*Any information required to complete this Schedule, if not shown above, will be shown in the quote or proposal.

#### **A. Disclosure of Premium**

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

#### **B. Disclosure of Federal Participation in Payment of Terrorism Losses**

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, the United States Government may pay up to 80% of insured losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

#### **C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations**

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

#### **D. Availability**

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

#### **E. Definition of Act of Terrorism under TRIA**

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an "act of terrorism" if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

# Cyber Event Coverage Endorsement



Insured Name County Of Webb	Policy Number	Effective Date 10/01/2020	Endorsement Number
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the:

- EDGE-D-100-B (12/10) The Zurich EDGE Declarations (Domestic Form)
- EDGE-100-B (12/10) The Zurich EDGE Coverage Form (Domestic Form)
- EDGE-D-101-B (12/10) The Zurich EDGE Declarations (Global Form)
- EDGE-101-B (12/10) The Zurich EDGE Coverage Form (Global Form)
- EDGE-D-102-B (12/10) The Zurich EDGE Declarations (Domestic Healthcare Form)
- EDGE-102-B (12/10) The Zurich EDGE Coverage Form (Domestic Healthcare Form)
- EDGE-D-103-A (12/10) The Zurich EDGE Declarations (Global Healthcare Form)
- EDGE-103-A (12/10) The Zurich EDGE Coverage Form (Global Healthcare Form)

**A.** The following is added to 2.03.06. Limits of Liability:

\$100,000	<p><b>CYBER EVENT</b> All Coverages Combined and in the <b>Annual Aggregate</b> but not to exceed the following:</p> <p><b>\$100,000 OFF PREMISES SERVICE INTERRUPTION CYBER EVENT – PROPERTY DAMAGE AND TIME ELEMENT</b></p>
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The following is added to 2.03. Time and Distance Limitations:

48 hours for Gross Earnings: not to exceed \$100,000 limit.	<p><b>PROTECTION AND PRESERVATION OF DIGITAL ASSETS – PROPERTY DAMAGE AND TIME ELEMENT</b> Combined</p>
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The following is added to Section 2.04. QUALIFYING PERIOD:

<b>CYBER EVENT per Occurrence</b>	48 hours hours
<b>OFF PREMISES SERVICE INTERRUPTION CYBER EVENT – PROPERTY DAMAGE AND TIME ELEMENT</b> applies separately at each location.	48 hours hours

The following is added to Section 2.05. DEDUCTIBLES, Exceptions to Policy Deductible(s):

**Cyber Event**

The following deductibles apply to loss or damage caused by or resulting from **Cyber Event**. The **Cyber Event** deductible will apply regardless of any other deductibles that may also apply.

**\$50,000 combined Cyber Event per Occurrence**

B. Section 3.02. PROPERTY NOT COVERED, Subsection 3.02.15. is replaced by the following:

**Digital Assets** except when they are **Stock in Process, Finished Stock, Raw Materials**, supplies or **Merchandise** or as otherwise provided by the Computer Systems Damage Coverage, **Valuable Papers and Records** Coverage or **Cyber Event** Coverage of this Policy.

C. Section 5.02. DESCRIPTION OF SPECIAL COVERAGES is revised as follows:

1. The COMPUTER SYSTEMS DAMAGE Coverage is replaced by the following:

#### COMPUTER SYSTEMS DAMAGE

The Company will pay for the corruption or loss of the Insured's **Digital Assets** resulting from direct physical loss of or damage to **Computer Systems** or **Media** as covered by this Policy, and the actual Time Element loss sustained, as provided by this Policy during the **Period of Interruption** directly resulting from a **Covered Cause of Loss** at an Insured Location.

This Coverage will only apply when the **Period of Interruption** exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay for the amount of loss in excess of the Policy Deductible, but not more than the limit applying to this Coverage.

This Coverage excludes loss or damage caused by or resulting from:

- a. Errors or omissions in processing or copying, except when direct physical loss or damage caused by a **Covered Cause of Loss** results. Then only that resulting damage is covered;
  - b. Loss or damage to **Digital Asset** from errors or omissions in programming or machine instructions; or
  - c. **Cyber Event**.
2. The OFF PREMISES SERVICE INTERRUPTION PROPERTY DAMAGE AND TIME ELEMENT LOSS Coverage is replaced by the following:

#### OFF PREMISES SERVICE INTERRUPTION PROPERTY DAMAGE AND TIME ELEMENT LOSS

The Company will pay for direct physical loss of or damage to Covered Property and for the actual Time Element loss sustained as provided by the Policy during the **Period of Service Interruption** at Insured Locations caused by the interruption of an incoming service consisting of electricity, gas, fuel, steam, water, refrigeration, voice, data or video or from the lack of outgoing voice, data, video or sewage service.

The lack of service must result from direct physical loss of or damage caused by a **Covered Cause of Loss** to property ( other than satellites but including transmission and distribution lines) of the supplier of such service located within this Policy's Territory, that immediately prevents in whole or in part the delivery of such usable services.

This Coverage will only apply when the **Period of Service Interruption** exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay for the amount of loss in excess of the applicable deductible, but not more than the limit applying to this Coverage.

Exclusions 3.03.01.02. and 3.03.04. do not apply to Off Premises Service Interruption Property Damage and Time Element Loss.

The following additional exclusion applies:

This Coverage excludes loss or damage to Covered Property and for the actual Time Element loss directly or indirectly caused by or resulting from the interruption of such services, when such interruption is caused directly or indirectly by:

- a. The failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services; or
- b. **Cyber Event**,

regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.

D. The following is added to Section 5.03. DESCRIBED CAUSES OF LOSS:

#### CYBER EVENT

1. Property Damage and Time Element

The Company will pay **Digital Asset Replacement Expenses** and the actual Time Element loss sustained during the

**Period of Interruption** caused by a **Cyber Event** resulting in the corruption or destruction of the Insured's **Digital Assets**. The Time Element loss must result from the necessary **Suspension** of the Insured's business activities at the Insured Location. The **Suspension** must be due to a **Cyber Event** resulting in corruption, destruction or loss of access to the Insured's **Digital Assets** while within this Policy's territory.

This Coverage will only apply when the **Period of Interruption** exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay for the amount of loss in excess of the **Cyber Event** Deductible, but not more than the limit applying to this Coverage.

This Coverage, as respects to **Cyber Event**, also covers:

**a. Expediting Expense**

The reasonable and necessary costs incurred to pay for the temporary repair or to expedite the permanent repair or replacement of **Digital Assets** resulting from a **Cyber Event** to the Insured's **Digital Assets**.

This coverage excludes the costs of the permanent repair or replacement of **Digital Assets** or damaged property.

**b. Computer Forensic Expense**

The reasonable fees paid to a professional or the reasonable cost of using the Insured's employees to conduct a computer forensic analysis to investigate and determine the cause and extent of loss to the Insured's **Digital Assets** and **Computer System** due to a **Cyber Event**.

The Company will pay for direct physical loss of or damage to **Digital Assets**, Covered Property, Time Element loss and Special Coverages loss as provided by this Policy, if such loss or damage is caused by **Cyber Event** regardless of any other cause or event contributing concurrently or in any other sequence of loss. However, ensuing physical loss or damage to Covered Property from a **Covered Cause of Loss** will not be considered loss by a **Cyber Event** within the terms and conditions of this Policy.

Notwithstanding any other provision of this Policy, including any endorsements forming a part of this Policy, any costs, expenses or loss recoverable under the **Cyber Event** Property Damage and Time Element Coverages are payable only under **Cyber Event** Property Damage and Time Element Coverage and not elsewhere in this Policy.

**2. Protection And Preservation Of Digital Assets – Property Damage And Time Element**

The reasonable and necessary cost incurred for actions taken by the Insured to temporarily protect or preserve **Digital Assets** from further damage, during or after a **Cyber Event**, provided that such costs are over and above the Insured's normal operating expenses.

The Gross Earnings loss or Gross Profit loss sustained by the Insured for a period of time not to exceed the hours listed in the Declarations for the Insured first taking reasonable and necessary actions to temporarily protect or preserve from further damage the insured's **Digital Assets**, during or after a **Cyber Event** provided that such costs are over and above the Insured's normal operating expenses.

Protection and Preservation of **Digital Assets** coverage does not include the following costs or expense:

To correct any deficiencies or problems or to remediate **Programs (Software)** errors or vulnerabilities that existed prior to the **Cyber Event** and you failed to correct;

To update, restore, replace or improve any **Digital Assets** to a level beyond that which existed just prior to the **Cyber Event**, unless such costs or expenses are standard technological advancements included within any newer **Digital Assets**;

For any contractual penalties.

Notwithstanding any other provision of this Policy, including any endorsements forming a part of this Policy, any costs recoverable under Protection and Preservation of **Digital Assets** are payable only under Protection And Preservation Of **Digital Assets** – Property Damage And Time Element Coverage and not elsewhere in this Policy.

**3. Off Premises Service Interruption Cyber Event Property Damage And Time Element**

The Company will pay for the loss of or damage to the Insured's Covered Property at an Insured Location and for the actual Time Element loss sustained by the Insured during the **Period of Interruption**, directly resulting from the necessary **Suspension** of the Insured's business activities at an Insured Location, resulting from a **Cyber Event**, regardless of any other event contributing concurrently or in any sequence to the loss, at a service provider company directly or indirectly supplying electricity, gas, fuel, steam, water, refrigeration, voice, data, video or **Cloud Services**. The interruption of service must result from a **Cyber Event** to property (other than satellites but including transmission and distribution lines) of the supplier of such services that immediately prevents in whole or in part the delivery of such usable services, when located worldwide, except for in the following:

Afghanistan, Albania, Algeria, Angola, Armenia, Azerbaijan, Belarus, Benin, Botswana, Burkina Faso, Burundi,

Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Republic of Congo, Democratic Republic of the Congo, Cuba, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Georgia, Haiti, Iran, Iraq, Ivory Coast, Kazakhstan, Kampuchea (Cambodia), Kenya, Kyrgyzstan (Kyrgyz Republic), Laos, Lebanon, Lesotho, Liberia, Libya, Macedonia, Madagascar, Malawi, Mali, Mauritania, Mayotte, Mongolia, Montenegro, Mozambique, Myanmar (Burma), Namibia, Niger, Nigeria, North Korea, Pakistan, Palestine, Reunion, Rwanda, Sao Tomé and Príncipe, Senegal, Serbia, Sierra Leone, Somalia, Sri Lanka, Southern Sudan, Sudan, Swaziland, Syria, Tajikistan, Tanzania, Tibet, Togo, Turkmenistan, Uganda, Uzbekistan, Western Sahara, Yemen, Zambia, Zimbabwe; or

Any other country where prohibited by United States law or where trade relations are unlawful as determined by the Government of the United States of America or its agencies.

This Coverage will only apply when the **Period of Interruption** exceeds the time shown as **Qualifying Period** in the **Qualifying Period** clause of the Declarations section. If the **Qualifying Period** is exceeded, then this Policy will pay for the amount of loss in excess of the applicable **Cyber Event** Deductible, but no more than the limit applying to this Coverage.

The following additional exclusion applies:

This Policy excludes physical loss or damage directly or indirectly caused by or resulting from the interruption of such services, when such interruption is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.

Notwithstanding any other provision of this Policy, including any endorsements forming a part of this Policy, any costs recoverable under Off Premises Service Interruption **Cyber Event** Property Damage And Time Element are payable only under Off Premises Service Interruption **Cyber Event** Property Damage and Time Element Coverage and not elsewhere in this Policy.

4. The following additional exclusions apply to **D. 1., 2., and 3.:**

We will not pay for loss or damage to **Digital Assets** resulting from:

- a. Errors or omissions in programming, processing or copying; or
- b. Correcting any deficiencies or problems including remediation of **Digital Asset** errors or vulnerabilities that existed prior to the **Cyber Event** and the Insured failed to correct.

We do not cover expenses or costs of **Cyber Extortion Payments**.

E. The following definitions in SECTION VII – DEFINITIONS are replaced by the following:

**Computer Virus** – Any hostile or intrusive **Program (Software)**, instructions, code or data which infiltrates and disrupts computer operations, gathers sensitive information, gains access to **Computer Systems** or **Digital Assets** without consent, or any other data or instructions introduced into any electronic system that affects the operation or functionality of **Computer Systems** or **Digital Assets**, including but not limited to any destructive **Program**, computer code, worm, logic bomb, smurf attack, vandalism, malware, Trojan Horse, spyware, rootkits, ransomware, adware, keyloggers, rogue security software or malicious browsers.

**Described Cause(s) of Loss – Breakdown** of Equipment, **Earth Movement**, **Flood**, **Named Storm** or **Cyber Event**.

**Period of Interruption** – The period starting when the Insured's **Digital Assets**, **Computer Systems** or **Media** fails to operate and ending when with due diligence and dispatch, the Insured's **Digital Assets**, **Computer Systems** or **Media** could be restored to the same or equivalent operating condition that existed prior to the failure. The Period of Interruption does not include the additional time to make changes to the Insured's **Digital Assets**, **Computer Systems** or **Media**.

For purposes of **Cyber Event** only, the following definition in SECTION VII – DEFINITIONS is replaced by the following:

**Media** – Punch cards, paper tapes, floppy disks, CD-ROM, hard drives, magnetic tapes, magnetic discs or any other tangible personal property on which **Digital Assets** are recorded or transmitted, but not the **Digital Assets** themselves.

The following are added to SECTION VII – DEFINITIONS:

**Cloud Services** – A contracted service in the business of storing, processing and managing the Insured's **Digital Assets** and providing access and use of **Programs (Software)** or a network of servers hosted away from the Insured's location to store, process and manage the **Digital Assets**.

**Computer Systems** – Information Technology (IT), industrial process control or communication systems including any other item or element of IT infrastructure, computer hardware, devices and electronic equipment used for the purpose of creating, accessing, processing, protecting, monitoring, storing, retrieving, displaying or transmitting **Digital Assets**, including but not limited to, associated input and output devices, laptop and desk top computers, **Media**, computer

networks and networking equipment, components, file servers, data processing equipment, microchip, microprocessors, computer chips, integrated circuits, systems controlling or associated with the operation or monitoring of equipment or machinery, or similar device or equipment, but not including the Digital Assets contained therein. **Computer Systems** also includes external drives, CD-ROM's, DVD ROM's, magnetic tapes, magnetic discs and USB sticks, that are used to process, record or store **Digital Assets**.

**Cyber Event** – Authorized access, unauthorized access, authorized use, unauthorized use, disappearance of code, malicious act, distortion, malfunction, deficiency, deletion, fault, **Computer Virus**, **Denial of Service Attack** or corruption perpetuated through the Insured's computer network, an internet enabled device or **Computer Systems** that occurs during the Policy Period.

However, as applied in Off Premises Service Interruption Property Damage and Time Element and in **D.3.**, Off Premises Service Interruption **Cyber Event** Property Damage And Time Element of this endorsement, **Cyber Event** means such Cyber Event as defined above but perpetuated through the service provider's computer network, internet enabled device or **Computer Systems** during the Policy Period.

**Cyber Extortion Payments** – Monies paid to third parties for an act, threat or series of threats made to introduce a **Computer Virus** or gain unauthorized access to **Computer Systems**.

**Denial of Service Attack** – A malicious attack by an authorized or unauthorized party which is designed to slow or completely interrupt an authorized party from gaining access to the Insured's **Computer Systems**, **Digital Assets** or website.

**Digital Assets – Electronic Data, Programs (Software)**, audio and image files. To the extent they exist as **Electronic Data** and only in that form, **Digital Assets** include the following: accounts, bills, evidences of debts, valuable papers, records, abstracts, deeds, manuscripts, or other documents.

**Digital Asset Replacement Expenses** – The reasonable and necessary costs or expenses the Insured incurs to replace, restore or recollect **Digital Assets** from written records or partially or fully matching **Electronic Data**.

All other terms, conditions, provisions and exclusions of this policy remain the same.