

**RESOLUTION 41-2023**

**VILLAGE OF GILBERTS**

**A RESOLUTION APPROVING A RENEWAL PROPOSAL BY ARTHUR J. GALLAGHER & CO. FOR GENERAL LIABILITY, PROPERTY, RISK MANAGEMENT AND WORKERS COMPENSATION INSURANCE COVERAGE FOR THE POLICY PERIOD DECEMBER 31, 2023 – DECEMBER 31, 2024**

**WHEREAS**, the Village of Gilberts (“Village”) requires general liability, property, risk management and workers compensation insurance coverage; and

**WHEREAS**, the Village has determined that it is necessary and desirable to approve a proposal by Arthur J. Gallagher & Co. for the provision of an insurance package for the Village; and

**WHEREAS**, Arthur J. Gallagher has provided the Village with a proposal of insurance for the policy period December 31, 2023 – December 31, 2024, a copy of which is attached to this Resolution as **Exhibit A (“Proposal”)**.

**THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GILBERTS, ILLINOIS**, as follows:

**Section 1.**     **Recitals.** The recitals set forth above are hereby incorporated into and made a part of this Resolution as though set forth in this Section 1.

**Section 2.**     **Approval; Authorization.** The Village Board of Trustees hereby approves the Agreement and authorizes the Village Administrator to execute the Proposal and such other documents as are necessary.

**Section 3.**     **Effective Date.** This Resolution shall be in full force and effect after its approval in the manner provided by law.

**PASSED BY VOTE OF THE BOARD OF TRUSTEES** of the Village of Gilberts, Kane County, Illinois, this 5<sup>th</sup> day of December, 2023.

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Robert Vanni	X	_____	_____	_____
Trustee Robert Chapman	X	_____	_____	_____
Trustee Justin Redfield	X	_____	_____	_____
Trustee Jeanne Allen	X	_____	_____	_____
Trustee Frank Marino	X	_____	_____	_____
Trustee Brandon Coats	X	_____	_____	_____
President Guy Zambetti	_____	_____	_____	_____

APPROVED THIS 5TH DAY OF DECEMBER, 2023.



  
\_\_\_\_\_  
Guy Zambetti, Village President

ATTEST:   
\_\_\_\_\_  
Village Clerk, Lynda Lange

**Exhibit A**

**Arthur J. Gallagher Insurance Proposal  
December 31, 2023 – December 31, 2024**



# Proposal of Insurance

## Village of Gilberts

87 Calligan Road  
Gilberts, IL 60136

Arthur J. Gallagher Risk Management Services LLC  
Rich Stokluska | Area Senior Executive Vice President  
Rich\_Stokluska@ajg.com | (630) 773-3800

*Presented:* November 28, 2023

AJG License Nos. IL 100292093 / CA 0D69293



[ajg.com](http://ajg.com)

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# Gallagher

Insurance | Risk Management | Consulting

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## Executive Summary

**Arthur J. Gallagher Risk Management Services, Inc.** appreciates the opportunity to present this proposal for your consideration.

Gallagher is excited to present this year's terms for the Village of Gilbert's Property, Casualty, and Workers Compensation renewal. Given the current state of the marketplace, our team is pleased with the terms and pricing negotiated.

The insurance marketplace in general continues to sustain record breaking losses. In our quarterly market update you will see areas of impact and rate increases. The marketplace for municipalities in Illinois continues to evolve. This is due to the following concerns:

1. Catastrophic Property losses nationwide.
2. The current law enforcement landscape.
3. Cost of material to rebuild.
4. Interest rates effecting reinsurance investment.
5. Employment practices claims (discrimination, sexual harassment, wrongful termination) continue to rise.
6. Public entities remaining a strong target for hackers.

The Public Entity insurance marketplace remains in a hard market, but has finally seen rates stabilize across multiple lines of coverage. As always, we will continue to keep you aware of current and/or changing marketplace trends throughout the year.

The Village has had increases in exposure on Property (+15.19%), Gross Revenue (+18.09%) and Payroll (+4.38%). Also, inflation is still having an impact on the insurance industry as reinsurance costs continue to rise. In spite of these exposure rating factor increases and market pressure, the year over year change in premium for the Village of Gilberts was +11.38%. The carrier has provided renewal terms with the same limits and deductibles as expiring, so there are no structural changes to your program.

In the following pages, we will demonstrate what makes our company the best fit for your insurance placement and risk management needs. Thank you again for allowing us to be your partner in this placement.

*Rich Stokluska*

**Rich Stokluska**

**Area Senior Executive Vice President**

Tuesday, November 28, 2023

## Your Gallagher Team

Your Gallagher team is a true partner. We have the expertise to understand your business and we're here to service and stay alongside you, every step of the way.

<i>Service Team</i>	<i>Email</i>	<i>Phone</i>
<b>Rich Stokluska, ARM</b> Area Senior Executive Vice President	Rich_Stokluska@ajg.com	(630) 285-4012 (p)
<b>Ryan Consitt</b> Associate Client Service Manager	Ryan_Consitt@ajg.com	(630) 217-2817 (p)
<b>Brea Talken</b> Client Service Associate	Brea_Talken@ajg.com	(630) 694-4273 (p)

### Service Commitment

#### Account Service

At Gallagher, our goal is to provide you with an exceptional insurance and risk management program delivered by a world class service organization. Gallagher is committed to partnering with our clients to ensure we consistently deliver the highest quality service possible.

#### Renewals

We use a standard Renewal Timeline and start early to make sure your needs are met and we are able to offer you the most comprehensive and competitively priced insurance program. At each renewal, we will meet with you to establish a renewal game plan, determine how many markets should be approached, discuss pricing in the insurance marketplace, and identify what specific needs must be addressed. We will then approach markets that we feel will offer the best alternatives. These alternatives will be presented at renewal as an option, even if we feel the incumbent program is strongest. We will demonstrate how we have created competition within the marketplace to ensure that you receive the best renewal terms.

We make ourselves accountable by working with you to develop a written service schedule that meets your needs. You can track our service by referring to our written service commitment. Service becomes especially important as your type of organization continues to change and prosper.

As a top national broker, we have access to over 150 insurance companies and wholesalers. This maximizes your insurance options in any given policy year situation. In addition, our integrity and influence in the marketplace have resulted in excellent relationships with our markets. These factors are especially important to consider as the insurance needs of your organization become more complex and require more sophisticated solutions.

#### Automobile Identification Cards

ID cards will be issued upon binding of coverage.

#### Phone Calls

Phone calls will be returned within one working day of receipt.

#### Certificates of Insurance

Certificates of Insurance will be issued within one working day of request.

#### Claims

Claims will be reported to the company within two working days of receipt, and acknowledgment of receipt will be sent to you. We will follow up with the carrier within ten working days after receipt of a claim. Monthly claim reports will be provided if requested.

#### Loss Control

We will coordinate all loss control activities between you and the carrier. We recommend that service be provided on a quarterly basis.

## Program Structure





## Named Insured

<i>Named Insured</i>	<i>Line of Coverage</i>
Village of Gilberts	All lines of coverage included in this proposal

**Note:** Any entity not named in this proposal may not be an insured entity. This may include affiliates, subsidiaries, LLCs, partnerships, and joint ventures.

## Market Review

We approached the following carriers in an effort to provide the most comprehensive and cost effective insurance program.

<i>Line Of Coverage</i>	<i>Insurance Company ** (AM Best Rate/Financial Strength)</i>	<i>Market Response *</i>	<i>Admitted ***</i>
Package: Property, Inland Marine, General Liability, LEL, EBL, EPLI, Public Officials Liability, Automobile, Excess Liability	Arch Insurance Company (A+ XV) Argonaut Great Central Insurance Company, Argonaut Insurance Company, Argonaut-Midwest Insurance Company (A- XII) / Trident	Recommended Quote	Admitted
Equipment Breakdown	The Hartford Steam Boiler Inspection and Insurance Company (A++ X)	Recommended Quote	Admitted
Cyber Liability	Underwriters at Lloyd's London (A XV)	Recommended Quote	Non-Admitted
	Beazley	Not Competitive	
	eRisk	Declined – Does not meet Underwriter guidelines	
	Coalition	Declined – Does not meet Underwriter guidelines	Admitted
	Coalition	Not Competitive	Non-Admitted
	Cowbell	Not Competitive	
	CFC	Not Competitive	
	Axis	Declined – Does not meet Underwriter guidelines	
	Corvus	Declined – Does not meet Underwriter guidelines	
	Tokio Marine HCC	Declined – Does not meet Underwriter guidelines	
	Atbay	Declined – Does not meet Underwriter guidelines	Admitted
Atbay	Declined – Does not meet Underwriter guidelines	Non-Admitted	
Crime	Allmerica Financial Benefit Insurance Co	N/A	Admitted
Workers Compensation	Illinois Public Risk Fund (Not Rated <sup>1</sup> )	Recommended Quote	

\*If shown as an indication, the actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

\*\*Gallagher companies use AM Best rated insurers and the rating listed above was verified on the date the proposal document was created.

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\*\*\*If coverage placed with a non-admitted carrier, it is doing business in the state as a surplus lines or non-admitted carrier, and is neither subject to the same regulations as an admitted carrier nor do they participate in any state insurance guarantee fund.

Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

(1) The Illinois public Risk Fund is a Self-Funded program established in 1985 solely for the purpose of providing Workers' Compensation coverage public entities in Illinois. Reinsurance is provided by Safety National Casualty Corporation, which is rated A+ XII by A.M Best

## Exposure & Premium Comparison

### Exposure Comparison

Exposure	2022-2023	2023-2024	Change %
Property Values	\$25,187,986	\$29,010,991	15.18%
Inland Marine	\$566,467	\$566,467	0.00%
Vehicle Count	31	32	3.23%
Vehicle Value	\$1,401,151	\$1,455,569	3.88%
Gross Revenues	\$13,486,000	\$15,925,084	18.09%
Exposure	01/01/23 - 01/01/24	01/01/24 - 01/01/25	Change %
Payroll	\$1,941,000	\$2,026,000	4.38%

### Premium Comparison

Line of Coverage	Trident 2022 - 2023	Trident 2023 - 2024	Change %
Package	\$50,637	\$62,395	23.22%
Auto	\$14,624	\$17,811	21.79%
Umbrella \$7MM	\$10,927	\$11,766	7.68%
<b>PACKAGE TOTAL</b>	<b>\$76,188</b>	<b>\$91,972</b>	<b>20.72%</b>
Boiler & Machinery	\$3,864	\$4,356	12.73%
Crime	\$1,011	\$1,011	0.00%
Cyber Liability	\$4,072	\$4,983.40	22.38%
Line of Coverage	IPRF 01/01/23 - 01/01/24	IPRF 01/01/24 - 01/01/25	Change %
WC	\$52,383	\$50,851	-2.92%
<b>TOTAL PREMIUM</b>	<b>\$137,518</b>	<b>\$153,173.40</b>	<b>11.38%</b>

## Location Schedule

LINE OF COVERAGE	LOC # / BLDG #	LOCATION ADDRESS
Property	1/1	10 Silver Trail Parkway Gilberts, IL, 60136
Property	2/1	1235 Galligan Road Gilberts, IL, 60136
Property	3/1	196 Valencia Drive Gilberts, IL, 60136
Property	3/2	196 Valencia Drive Gilberts, IL, 60136
Property	4/1	201 Raymond Drive Gilberts, IL, 60136
Property	4/2	201 Raymond Drive Gilberts, IL, 60136
Property	5/1	281 Raymond Drive Gilberts, IL, 60136
Property	5/2	281 Raymond Drive Gilberts, IL, 60136
Property	5/3	281 Raymond Drive Gilberts, IL, 60136
Property	5/4	281 Raymond Drive Gilberts, IL, 60136
Property	6/1	320 Raymond Drive Gilberts, IL, 60136
Property	6/2	320 Raymond Drive Gilberts, IL, 60136
Property	6/3	320 Raymond Drive Gilberts, IL, 60136
Property	6/4	320 Raymond Drive Gilberts, IL, 60136
Property	6/5	320 Raymond Drive Gilberts, IL, 60136
Property	6/6	320 Raymond Drive Gilberts, IL, 60136
Property	7/1	598 Sleeping Bear Gilberts, IL, 60136
Property	8/1	73 Industrial Drive Gilberts, IL, 60136
Property	8/2	73 Industrial Drive Gilberts, IL, 60136
Property	9/1	84 Tower Hill Gilberts, IL, 60136
Property	10/1	86 Railroad St - Bld 6 Gilberts, IL, 60136

LINE OF COVERAGE	LOC # / BLDG #	LOCATION ADDRESS
Property	11/1	87 Galligan Road Gilberts, IL, 60136
Property	12/1	95 Meadows Drive Gilberts, IL, 60136
Property	13/1	16 Higgins Road Gilberts, IL, 60136
Property	13/2	16 Higgins Road Gilberts, IL, 60136
Property	14/1	Indian Trails Gilberts, IL, 60136
Property	15/1	Old Town Gilberts, IL, 60136
Property	16/1	Timber Trails Gilberts, IL, 60136
Property	17/1	562 Tyrelle Road Gilberts, IL, 60136
Property	18/1	355 Tyrelle Road Gilberts, IL, 60136
Property	18/2	355 Tyrelle Road Gilberts, IL, 60136
Property	19/1	280 Town Center Blvd Gilberts, IL, 60136
Property	20/1	301 Columbia Lane Gilberts, IL, 60136
Property	20/2	301 Columbia Lane Gilberts, IL, 60136
Property	20/3	301 Columbia Lane Gilberts, IL, 60136
Property	21/1	Town Center Unit 18 Gilberts, IL, 60136

## Full Program Details

### Property

<i>Carrier Information</i>	<i>Renewal Quote</i>
Policy Term	12/31/2023 - 12/31/2024
Carrier	Arch Insurance Company
A.M. Best Rating	A+ XV
Admitted/Non-Admitted	Admitted
Payment Plan	Annual Payment due in full within 30 days of binding
Payment Method	Agency Bill
<i>Premium &amp; Exposures</i>	
Premium	\$33,293.00
Exposure / TIV	\$29,010,991 - Total Insured Values
TRIA	\$999.00
Minimum Type	None
Estimated Cost	\$34,292.00
<i>Standard Coverages</i>	
Blanket Building	\$17,633,551
Blanket Business Personal Property	\$11,377,440
Wind/Hail	Included
Flood*	\$5,000,000
Earthquake	\$5,000,000
Water Damage (Other than Flood)	Included
Business Income and Extra Expense	\$500,000
<i>Additional Coverages</i>	
Dependent Property	\$100,000
Interruption Of Computer Operations	\$10,000
Lease Cancellation Moving Expenses	\$5,000
Newly Acquired or Constructed Property - Business Income	\$1,000,000
Off Premises Utility Failure-Business Income	\$100,000
Ingress or Egress	\$25,000
Pollutant Clean Up and Removal	\$25,000
Coverage Modifications:	
Ordinance and Law	
- Coverage A - Undamaged Portion of Building	Included
- Coverage B - Demolition	\$1,000,000
- Coverage C - Increased Cost of Construction	\$1,000,000
Accidental Classroom Chemical Spills	\$50,000
Accounts Receivable Records	\$100,000
Accumulation of Surface Water	\$25,000
Animals	
- Occurrence Limit	\$10,000
- Aggregate Limit	\$50,000
Appurtenant Structures	\$100,000
Audio Visual and Communication Equipment	\$100,000

Carrier Information	Renewal Quote
Back up of Sewers or Drains	\$1,000,000
Changes in Temperature or Humidity	\$50,000
Commandeered Property	\$10,000
Computer Equipment	\$250,000
Portable Computer Equipment	
- Per Item Limit	\$1,500
- Per Policy Limit	\$15,000
Course of Construction	
- Per Building	\$25,000
- Per Policy Year	\$100,000
Debris Removal - Your Premises	\$250,000
Debris Removal - Wind Blown Debris	\$10,000
Electronic Data	\$100,000
Fine Arts	\$100,000
Fire Department Service Charge	\$10,000
Fungus, Wet Rot, Dry Rot and Bacteria (limited coverage)	\$15,000
Glass Display or Trophy Cases	\$5,000
Inventory And Appraisal	\$25,000
Key Card Coverage	\$25,000
Lock Replacement	\$10,000
Money And Securities	
- On Your Premises	\$20,000
- Away From Your Premises	\$10,000
Newly Acquired or Constructed Property	
- Buildings	\$1,000,000
- Your Business Personal Property	\$1,000,000
Non-owned Detached Trailers	\$20,000
Off Premises Utility Failure - Damage to Covered Property	\$100,000
Outdoor Property	\$100,000
Outdoor Signs	\$5,000
Personal Effects and Property of Others	\$50,000
Pollutant Clean Up and Removal	\$25,000
Property In Transit	\$50,000
Property Off-premises	\$50,000
Recharge Of Fire Protection Equipment	\$10,000
Retaining Walls	\$5,000
Reward Payments	\$15,000
Salesperson's Samples	\$10,000
SCADA Upgrade	\$100,000
Penstock	\$100,000
Sod, Trees, Shrubs and Plants	
- Any One Tree, Shrub or Plant	\$1,000
- Occurrence Limit	\$10,000
Spoilage	\$25,000
Theft of Jewelry, Furs, Stamps and Other Specified Items	



<i>Carrier Information</i>	<i>Renewal Quote</i>
- Per Item	\$2,500
- Maximum Occurrence Limit	\$10,000
Undamaged Leasehold Improvements	\$50,000
Underground Fiber Optic Cable	
- Any One Occurrence	\$10,000
- Each 12-month Period	\$50,000
Underground Property, Paved Surfaces or Athletic Fields	\$250,000
Valuable Papers and Records (Other Than Electronic Data)	\$100,000
<b>Deductibles/SIR</b>	
Deductible - Deductible	\$1,000
Deductible - Wind/Hail	\$1,000
Deductible - Flood*	\$50,000
Deductible - Earthquake	\$50,000
Deductible - Water Damage (Other than Flood)	\$1,000 AOP
Deductible - Business Income and Extra Expense	72 Hours
Deductible - Dependent Property	72 Hours
Deductible - Interruption Of Computer Operations	72 Hours
Deductible - Newly Acquired or Constructed Property - Business Income	72 Hours
Deductible - Off Premises Utility Failure-Business Income	24 Hours
Deductible - Ingress or Egress	72 Hours
Deductible - Pollutant Clean Up and Removal	72 Hours
Deductible - Coverage Modifications:	
Deductible - Ordinance and Law	
Deductible - - Coverage A - Undamaged Portion of Building	Included
Deductible - - Coverage B - Demolition	Included
Deductible - - Coverage C - Increased Cost of Construction	Included
Deductible - Accidental Classroom Chemical Spills	\$1,000
Deductible - Accounts Receivable Records	\$1,000
Deductible - Accumulation of Surface Water	\$1,000
Deductible - Animals	
Deductible - - Occurrence Limit	\$1,000
Deductible - - Aggregate Limit	\$1,000
Deductible - Appurtenant Structures	\$1,000
Deductible - Audio Visual and Communication Equipment	\$250
Deductible - Back up of Sewers or Drains	\$25,000
Deductible - Changes in Temperature or Humidity	\$1,000
Deductible - Commandeered Property	\$250
Deductible - Computer Equipment	\$1,000
Deductible - Portable Computer Equipment	
Deductible - - Per Policy Limit	\$1,000
Deductible - Course of Construction	
Deductible - - Per Building	\$1,000
Deductible - Debris Removal - Your Premises	\$1,000
Deductible - Debris Removal - Wind Blown Debris	\$1,000

<b>Carrier Information</b>	<b>Renewal Quote</b>
Deductible - Electronic Data	\$1,000
Deductible - Fine Arts	\$1,000
Deductible - Fungus, Wet Rot, Dry Rot and Bacteria (limited coverage)	\$1,000
Deductible - Glass Display or Trophy Cases	\$500
Deductible - Inventory And Appraisal	\$1,000
Deductible - Key Card Coverage	\$1,000
Deductible - Money And Securities	
Deductible - - On Your Premises	\$1,000
Deductible - - Away From Your Premises	\$1,000
Deductible - Newly Acquired or Constructed Property	
Deductible - - Buildings	\$1,000
Deductible - - Your Business Personal Property	\$1,000
Deductible - Non-owned Detached Trailers	\$1,000
Deductible - Off Premises Utility Failure - Damage to Covered Property	\$1,000
Deductible - Outdoor Property	\$1,000
Deductible - Outdoor Signs	\$1,000
Deductible - Personal Effects and Property of Others	\$1,000
Deductible - Pollutant Clean Up and Removal	\$1,000
Deductible - Property In Transit	\$1,000
Deductible - Property Off-premises	\$1,000
Deductible - Retaining Walls	\$1,000
Deductible - Salesperson's Samples	\$1,000
Deductible - SCADA Upgrade	\$1,000
Deductible - Penstock	\$1,000
Deductible - Sod, Trees, Shrubs and Plants	
Deductible - - Occurrence Limit	\$1,000
Deductible - Spoilage	\$1,000
Deductible - Theft of Jewelry, Furs, Stamps and Other Specified Items	
Deductible - - Maximum Occurrence Limit	\$1,000
Deductible - Undamaged Leasehold Improvements	\$1,000
Deductible - Underground Fiber Optic Cable	
Deductible - - Any One Occurrence	\$1,000
Deductible - Underground Property, Paved Surfaces or Athletic Fields	\$1,000
Deductible - Valuable Papers and Records (Other Than Electronic Data)	\$1,000
<b>Valuations</b>	
Replacement Cost	Applies
<b>Coinsurance</b>	
Coinsurance	100%

Exclusions (Including but not limited to)
Earth Movement Exclusion
Flood Exclusion
Government Action Exclusion
War Exclusion
Nuclear Hazard, Power Failure

**Perils Covered:**

Type	Description
Special Form Perils	Applies

**Other Significant Terms and Conditions/Restrictions:**

Description
Margin Clause: 110%
*If a Flood limit is shown above, please note that we will not pay for any loss or damage arising out of a flood that occurs at any location located wholly or partially in FEMA identified Zones A or V, regardless of how the Zone may be named.

**STATEMENT OF VALUES**

LOC # / BLDG #	LOCATION ADDRESS/ BUILDING DESCRIPTION	VALUES		TOTAL	VALUATION
		BUILDING	CONTENTS		
1/1	10 Silver Trail Parkway, Gilberts, IL, 60136/ School Lift Station	\$321,896	\$0	\$321,896	Replacement Cost
2/1	1235 Galligan Road, Gilberts, IL, 60136/ Elevated Tank	\$1,755,795	\$0	\$1,755,795	Replacement Cost
3/1	196 Valencia Drive, Gilberts, IL, 60136/ Valencia Lift Station	\$321,896	\$0	\$321,896	Replacement Cost
3/2	196 Valencia Drive, Gilberts, IL, 60136/ Generator	\$108,860	\$0	\$108,860	Replacement Cost
4/1	201 Raymond Drive, Gilberts, IL, 60136/ Barancik Lift Station	\$867,362	\$0	\$867,362	Replacement Cost
4/2	201 Raymond Drive, Gilberts, IL, 60136/ Generator	\$108,860	\$0	\$108,860	Replacement Cost
5/1	281 Raymond Drive, Gilberts, IL, 60136/ Phosphorous Removal Building	\$344,935	\$214,240	\$559,175	Replacement Cost
5/2	281 Raymond Drive, Gilberts, IL, 60136/ Sewer Plant	\$1,170,529	\$6,527,335	\$7,697,864	Replacement Cost
5/3	281 Raymond Drive, Gilberts, IL, 60136/ Kohler Generator	\$150,764	\$0	\$150,764	Replacement Cost
5/4	281 Raymond Drive, Gilberts, IL, 60136/ SCADA	\$0	\$75,520	\$75,520	Replacement Cost
6/1	320 Raymond Drive, Gilberts, IL, 60136/ Water Plant	\$585,265	\$2,926,047	\$3,511,312	Replacement Cost
6/2	320 Raymond Drive, Gilberts, IL, 60136/ Water Tower	\$1,755,795	\$0	\$1,755,795	Replacement Cost
6/3	320 Raymond Drive, Gilberts, IL, 60136/ Kohler Generator	\$108,860	\$0	\$108,860	Replacement Cost
6/4	320 Raymond Drive, Gilberts, IL, 60136/	\$0	\$18,574	\$18,574	Replacement

	Cannon Copier				Cost
6/5	320 Raymond Drive, Gilberts, IL, 60136/ Well #3	\$895,455	\$0	\$895,455	Replacement Cost
6/6	320 Raymond Drive, Gilberts, IL, 60136/ Water Treatment-Additional Equipment for Barium Removal	\$0	\$749,840	\$749,840	Replacement Cost
7/1	598 Sleeping Bear, Gilberts, IL, 60136/ Water Tower	\$1,181,065	\$23,633	\$1,204,698	Replacement Cost
8/1	73 Industrial Drive, Gilberts, IL, 60136/ Public Works Building (New)	\$3,350,000	\$500,000	\$3,850,000	Replacement Cost
8/2	73 Industrial Drive, Gilberts, IL, 60136/ Salt Bin	\$195,478	\$67,524	\$263,002	Replacement Cost
9/1	84 Tower Hill, Gilberts, IL, 60136/ Public Works Building (Old)	\$402,000	\$60,000	\$462,000	Replacement Cost
10/1	86 Railroad St - Bld 6, Gilberts, IL, 60136/ Police Department	\$669,781	\$84,405	\$754,186	Replacement Cost
11/1	87 Galligan Road, Gilberts, IL, 60136/ Village Hall	\$1,025,827	\$112,540	\$1,138,367	Replacement Cost
12/1	95 Meadows Drive, Gilberts, IL, 60136/ Timber Trails #9 Lift Station	\$321,896	\$0	\$321,896	Replacement Cost
13/1	16 Higgins Road, Gilberts, IL, 60136/ Joseph Waitcus Park Pavilion	\$29,259	\$0	\$29,259	Replacement Cost
13/2	16 Higgins Road, Gilberts, IL, 60136/ Waitcus Park Sign	\$0	\$8,891	\$8,891	Replacement Cost
14/1	Indian Trails, Gilberts, IL, 60136/ Street Lights	\$46,821	\$0	\$46,821	Replacement Cost
15/1	Old Town, Gilberts, IL, 60136/ Street Lights	\$58,526	\$0	\$58,526	Replacement Cost
16/1	Timber Trails, Gilberts, IL, 60136/ Street Lights	\$289,121	\$0	\$289,121	Replacement Cost
17/1	562 Tyrelle Road, Gilberts, IL, 60136/ Well #4	\$895,455	\$0	\$895,455	Replacement Cost
18/1	355 tyrelle Road, Gilberts, IL, 60136/ Memorial Park Pavillion	\$31,691	\$0	\$31,691	Replacement Cost
18/2	355 tyrelle Road, Gilberts, IL, 60136/ Memorial Park Sign	\$0	\$8,891	\$8,891	Replacement Cost
19/1	280 Town Center blvd, Gilberts, IL, 60136/ Gilberts Town Square Gazebo	\$42,020	\$0	\$42,020	Replacement Cost
20/1	301 Columbia Lane, Gilberts, IL, 60136/ Splash Pad	\$369,564	\$0	\$369,564	Replacement Cost
20/2	301 Columbia Lane, Gilberts, IL, 60136/ Town Center Park Pavilion	\$49,779	\$0	\$49,779	Replacement Cost
20/3	301 Columbia Lane, Gilberts, IL, 60136/ Concession Stand	\$154,360	\$0	\$154,360	Replacement Cost
21/1	Town Center Unit 18, Gilberts, IL, 60136/ Street Lights	\$24,636	\$0	\$24,636	Replacement Cost

\_\_\_\_\_  
Clients Signature

### Inland Marine

<i>Carrier Information</i>	<i>Renewal Quote</i>
Policy Term	12/31/2023 - 12/31/2024
Carrier	Arch Insurance Company
A.M. Best Rating	A+ XV
Admitted/Non-Admitted	Admitted
Payment Plan	Annual Payment due in full within 30 days of binding
Payment Method	Agency Bill
<i>Premium &amp; Exposures</i>	
Premium	\$888.00
Exposure / TIV	\$566,467
TRIA	\$27.00
Minimum Type	None
Estimated Cost	\$915.00
<i>Standard Coverages</i>	
Contractors Equipment:	
- Scheduled Equipment	\$502,880
Scheduled Property:	
- All Other (NOC)	\$63,587
<i>Deductibles/SIR</i>	
Deductible - Contractors Equipment: Scheduled Equipment	\$1,000
Deductible - Scheduled Property: All Other (NOC)	\$1,000
Deductible - Equipment Schedule (Scheduled)	\$500 - Item# 1-18 Each
Deductible - Equipment Schedule (Scheduled)	\$1,000 - Item# 19-49 Each
<i>Valuations</i>	
Actual Cash Value (ACV)	Contractors Equipment, Miscellaneous Property
<i>Coinsurance</i>	
Coinsurance	Contractors Equipment, Miscellaneous Property - Coinsurance: N/A

<i>Exclusions (including but not limited to)</i>
Inland Marine - Cranes & Rigging Equipment
Inland Marine, Equipment Floater - Mechanical or Equipment Breakdown
Equipment Floater - Pollution
Equipment Floater, EDP, Transit - War and Nuclear Hazard
Equipment Floater, EDP, Transit - Wear and Tear, Gradual Deterioration, or Obsolescence
Equipment Floater - Mold / Fungus
EDP - Utility Service Interruption
EDP - Expected or Intended Loss
EDP - Programming Errors
Transit - Government Authority Exclusion

<i>Description</i>	<i>Amount</i>
Radios / Mobile Equipment	\$25,000.00
Post Hole Digger/Bits - Skostr	\$3,000.00
Honda Trash Pump / Hose 3" (2)	\$4,500.00

Description	Amount
Honda Trash Pump / Hose 4"	\$2,100.00
Bonnell Snow Plow - 10'	\$8,500.00
Bonnell Salt Spreader	\$4,000.00
Bucket Lift on G4	\$40,000.00
Liscosprayer - 300 Gal	\$4,200.00
Plow - 8"	\$3,623.00
Gill	\$1,600.00
Western Plow 8" Extra	\$3,800.00
Coleman Powermate	\$1,045.00
Monroe Salt Spreader	\$3,000.00
Western Plow - 8"	\$3,800.00
Western Plow - 8"	\$3,800.00
North Star Fertilizer Spreader	\$600.00
Western Plow - 9"	\$4,500.00
Henderson Spreader	\$4,000.00
1999 New Holland Skid Loader	\$3,800.00
2010 Dixie Dixie Chopper	\$8,900.00
Landa, Inc Pressure Washer/Trailer	\$3,000.00
2012 Case Combination Backhoe	\$96,605.00
New Holland TN70 Tractor W/Mower	\$60,400.00
2007 Bonnell Salt Spreader	\$4,000.00
2011 Rotary 18000 LB Lift	\$14,000.00
2016 Hustler Mower	\$9,865.00
Woods Turf Batwing Mower	\$7,500.00
Woods HS150 Ditch Mower	\$2,500.00
Vermeer Brush Chipper	\$5,564.00
Bonnell 10' Snow Plow	\$7,460.00
Bonnell 10' Snow Plow	\$7,460.00
Bonnell Salt Spreader	\$3,640.00
Bonnell Salt Spreader	\$3,640.00
Bonnell 11' Snow Plow	\$11,808.00
Hondatsurumi Portable Generator 4500 Watt (#50830)	\$1,560.00
Gas Saw Package (#20171500075)	\$2,300.00
Werner 8' Fiberglass Man Hole Ladder	\$189.00
2018 Wells Cargo Water Main Break TRAILEREW2024 (#575200J2XJH357987)	\$10,653.00
2020 New Vactor Ramjet Trailer (#1U9FS1621LA044507)	\$65,968.00
2020 9' Plow	\$7,000.00
2020 Hustler 104" Mower (#939470)	\$28,000.00
Memorial Park Sign	\$8,300.00
Town Center Park Sign	\$16,987.00
Waitcus Park Sign	\$8,300.00
Entrance Sign @ Galligan RD	\$10,000.00
Entrance Sign at Higgins RD	\$10,000.00
Entrance Sign at Big Timber RD	\$10,000.00
2022 PJ Trailer (3CV1U202XN2647037)	\$8,000.00
2022 PJ Trailer (3CV1U2028N2647036)	\$8,000.00

### General Liability

<b>Carrier Information</b>	<b>Renewal Quote</b>
Policy Term	12/31/2023 - 12/31/2024
Carrier / A.M. Best Rating / Admitted/Non-Admitted	Argonaut Great Central Insurance Company (A- XII, Admitted) Argonaut Insurance Company (A- XII, Admitted) Argonaut-Midwest Insurance Company (A- XII, Admitted)
Payment Plan	Annual Payment due in full within 30 days of binding
Payment Method	Agency Bill
<b>Premium &amp; Exposures</b>	
Premium	\$28,214.00
TRIA	\$222.00
Minimum Type	None
Estimated Cost	\$28,436.00
<b>Standard Coverages</b>	
<b>General Liability</b>	
Bodily Injury/Property Damage	\$1,000,000
Personal Injury/Advertising Injury	\$1,000,000
Damages To Premises Rented To You	\$100,000
Employee Benefits	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
<b>Public Officials</b>	
Per Wrongful Act	\$1,000,000
Annual Aggregate	\$1,000,000
<b>Employment Practices Liability</b>	
Per Wrongful Employment Act	\$1,000,000
Annual Aggregate	\$1,000,000
<b>Law Enforcement Liability</b>	
Per Wrongful Act	\$1,000,000
Annual Aggregate	\$1,000,000
<b>Additional Coverages</b>	
Unmanned Aircraft Under 25 Pounds – GL-230	\$25,000
Exclusion (Limited) Failure to Supply - CG 22 50	Included
Limited Pollution Liability Coverage – GL 210	Included
Back Wages	\$50,000
Non-Monetary Defense Limit Per Suit	\$50,000
Non-Monetary Defense Annual Aggregate	\$50,000
Eeoc* Per Complaint/Charge Of Discrimination	\$10,000
Eeoc* Annual Aggregate	\$50,000
<b>Deductibles/SIR</b>	
Deductible: Employee Benefits	\$1,000
Deductible: Public Officials	\$2,500 - Each Wrongful Act
Deductible: Public Officials - Non-Monetary Defense Limit	\$2,500
Deductible: Employment Practices Liability	\$2,500 - Each Wrongful Act
Deductible: Employment Practices Liability - Back Wages	\$10,000

Carrier Information	Renewal Quote
Deductible: Employment Practices Liability - Non-Monetary Defense Limit Per Suit	\$2,500
Deductible: Employment Practices Liability - EEOC* Per Complaint/Charge of Discrimination	\$2,500
Deductible: Law Enforcement Liability	\$2,500 - Each Wrongful Act

Endorsements
Unmanned Aircraft Under 25 Pounds – GL-230
Limited Pollution Liability Coverage – GL 210
Exclusions (including but not limited to)
General Liability - Bodily Injury and Property Damage from pollutants - Absolute Exclusion
General Liability - Losses arising from the ownership maintenance or use of aircraft (including drones), autos, or watercraft, with some minor exceptions including certain contractual obligations
General Liability - Employment Related Practices Exclusion
General Liability - Liquor Liability Exclusion
General Liability - Aircraft Products Exclusion
General Liability - Professional Liability Exclusion
General Liability - Real Property in Your Care, Custody, and Control Exclusion
General Liability - Absolute Asbestos Exclusion
General Liability - Absolute Lead Exclusion
General Liability - War and Nuclear Hazard
General Liability - Mold / Fungus
General Liability - Exclusion (Limited) Failure to Supply - CG 22 50

Form Type	
Form Type	General Liability - Occurrence; Public Officials, Employment Practices Liability - Claims Made
Retroactive Date	Public Officials, Employment Practices Liability - 12/31/2012
Incident/Claim Reporting Provision	Please see attached carrier form AG EP P001 01 02/09 page 5 & 6; C. Duties in the event of a claim, suit or wrongful act

**Definition Of Claim:**  
 Claim means written or oral demand, including a "suit", to hold the insured responsible for an alleged or actual "wrongful employment act" where payment of "damages" is sought

**Claims Made Disclaimer:**  
 Should you elect to change carriers (if a new retroactive date is provided) or non-renew this policy, a supplemental extended reporting endorsement may be available subject to policy terms and conditions. You must request the extended reporting period in writing to the carrier within (30) days of the expiration date. The cost of this extended reporting period is 100% of the annual premium and is fully earned. The extended reporting period extends only to those claims made during the extended reporting period for wrongful acts that occurred prior to the expiration date and would have been covered by the policy. Claims must be reported to the carrier within (90) days of the end of the policy period. The extended reporting period does not increase the limits of liability and is subject to all policy terms, conditions and exclusions.

**Other Significant Terms and Conditions/Restrictions:**

Description
Premium Includes TRIA Premium - \$222
EEOC = Equal Employment Opportunity Commission



### Automobile

<i>Carrier Information</i>	<i>Renewal Quote</i>
Policy Term	12/31/2023 - 12/31/2024
Carrier	Argonaut Great Central Insurance Company
A.M. Best Rating	A- XII
Admitted/Non-Admitted	Admitted
Payment Plan	Annual Payment due in full within 30 days of binding
Payment Method	Agency Bill or Direct Bill
<i>Premium &amp; Exposures</i>	
Premium	\$17,811.00
Exposure / TIV	32 Total Units Quoted
TRIA	
Minimum Type	None
Estimated Cost	\$17,811.00
<i>Standard Coverages (Symbol)</i>	
Liability Limit (CSL) (1)	\$1,000,000
Uninsured Motorist (2)	\$100,000
Underinsured Motorist (2)	\$100,000
Medical Payments (2)	\$5,000 Each Insured
Hired & Non-Owned	Included
Comprehensive (10)	ACV, cost to repair or replace, or stated amount, whichever is less
Collision (10)	ACV, cost to repair or replace, or stated amount, whichever is less
<i>Deductibles/SIR</i>	
Deductible - Comprehensive	\$1,000
Deductible - Collision	\$1,000

<i>Exclusions (including but not limited to)</i>
Excluded Drivers
Expected or Intended Injury
Contractual
Workers' Compensation
Employers' Liability
Property Damage to Property Owned or Transported by you
Pollution
Other standard policy exclusions apply
Terrorism

**Subject to Audit: Not Auditable**

**Auditable Exposures:**

<i>Description</i>	<i>Exposure</i>
Comprehensive, Collision Each	32 Units

**Covered Autos:**

Symbol	Symbol Name	Description of Covered Auto Designation Symbols
1	Any Auto	
2	Owned Autos Only	Only those autos you own (and for Liability Coverage any trailers you don't own while attached to power units you own). This includes those autos you acquire ownership of after the policy begins.
3	Owned Private Passenger Autos Only.	Only the private passenger autos you own. This includes those private passenger autos you acquire ownership of after the policy begins.
4	Owned Autos Other Than Private Passenger Autos Only	Only those autos you own that are not of the private passenger type (and for Liability Coverage any trailers you don't own while attached to power units you own). This includes those autos not of the private passenger type you acquire ownership of after the policy begins.
5	Owned Autos Subject To No-Fault	Only those autos you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those autos you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	Owned Autos Subject To A Compulsory Uninsured Motorists Law	Only those autos you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those autos you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists' requirement.
7	Specifically Described Autos	Only those autos described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any trailers you don't own while attached to any power unit described in Item Three).
8	Hired Autos Only	Only those autos you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent, or borrow from any of your employees, partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Nonowned Autos Only	Only those autos you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes autos owned by your employees, partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
10		Coverage is automatically provided only for those "autos" you own that meet the requirements listed below: 1. Autos shown in the Declarations as having physical damage coverage, as of the effective date shown in the Declarations; or 2. a. "Auto" you newly acquire after the effective date and report to us prior to the expiration date, shown in the Declarations; and b. "Auto" is of similar make, model and departmental usage as any "auto" that is currently covered under this policy for Physical Damage coverage; and c. Vehicle value is less than \$250,000; and d. Vehicles covered at Actual Cash Value.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those autos that are land vehicles and that would qualify under the definition of mobile equipment under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

**Vehicles:**

Veh#	Year	Make Model	VIN	Cost New	Rating Class	Deduct OTC	DEDUCT COLL
1	1995	Utility Trailer / Goldstar	4HLFS1626ST081351	\$5,000	684-990	\$1,000	\$1,000
2	1987	Ford / F350 Truck	1FDKE30LXH92526	\$30,000	014-990	\$1,000	\$1,000
3	2015	Chevrolet / Colorado	1GCHTAEA8F1188934	\$23,356	014-990	\$1,000	\$1,000
4	2015	Ford / F-350	1FTRF3BT4FED30525	\$40,436	014-990	\$1,000	\$1,000
5	2005	Ford / F550 Dump Truck	1FDAF57P65EC37021	\$57,000	214-790	\$1,000	\$1,000
6	2006	Truck / International	1HTWDAAR07J410127	\$46,000	214-990	\$1,000	\$1,000
7	2009	Ford / F550 Truck	1FDAF57R19EA98004	\$40,000	214-990	\$1,000	\$1,000
8	2009	Ford / F550 Truck	1FDAF57RX9EA98003	\$40,000	214-990	\$1,000	\$1,000
9	2016	Ford / F-550	1FDUF5HTXGEC86296	\$57,362	214-990	\$1,000	\$1,000
10	2008	Wells Fargo / Utility Trailer	575200J2XJH357987	\$9,153	684-990	\$1,000	\$1,000
11	2020	Ford / F-550	1FDUF5HN3MDA04776	\$90,000	214-990	\$1,000	\$1,000
12	2009	Chevrolet / Impala	2G1WS57M491227423	\$35,000	7911-	\$1,000	\$1,000
13	2015	Ford / Explorer	1FM5K8AR7FGC66669	\$35,000	7911-	\$1,000	\$1,000
14	2012	Ford / Expedition	1FMJU1G54CEF63006	\$35,000	7911-	\$1,000	\$1,000
15	2021	Ford / Interceptor	1FM5K8AB9MGC24617	\$50,000	7911-	\$1,000	\$1,000
16	2021	Ford / F550-Crane Truck	1FDUF5HN7NEC84617	\$150,000	7911-	\$1,000	\$1,000
17	2015	Ford / Taurus	1FAHP2MKXFG112073	\$35,000	7911-	\$1,000	\$1,000
18	2017	Ford / Utility Police Interceptor	1FM5K8AR7HGA17257	\$35,000	7911-	\$1,000	\$1,000
19	2017	Ford / Explorer	1FM5K8AR8HGD59042	\$35,000	7911-	\$1,000	\$1,000
20	2020	Ford / Explorer	1FM5K8AB5LGB67332	\$35,000	7911-	\$1,000	\$1,000
21	2007	Ford / Ranger	1FTYR14U97PA87894	\$25,000	014-990	\$1,000	\$1,000
22	2008	Ford / Ranger - Xcab	1FTZR15E28PB10929	\$25,000	014-990	\$1,000	\$1,000
23	2013	Ford / Fusion	3FA6P0G7XDR168099	\$19,971	7398-	\$1,000	\$1,000
24	2017	Chevrolet / Silverado	1GCVKNEC7HZ349034	\$30,023	014-990	\$1,000	\$1,000
25	2010	Trailer / Unknown	TBD	\$5,000	684-990	\$1,000	\$1,000
26	2022	Dodge / Durango	1C4RDJFG6NC137018	\$40,000	7911-	\$1,000	\$1,000
27	2022	Dodge / Durango	1C4RDJFG9NC136574	\$40,000	7911-	\$1,000	\$1,000
28	2022	Ford / F250 Super Duty	1FTBF2B67NEF77400	\$45,000	014-99	\$1,000	\$1,000
29	2022	Ford / Explorer	1FM5K8AB3NGB76372	\$39,418	014-99	\$1,000	\$1,000
30	2023	Ford / F750 Truck	1FDWF7DX7PDF04472	\$137,850	314-990	\$1,000	\$1,000
31	2022	Ford / F250 Pickup Truck	1FDBF2B60NEF37610	\$80,000	014-990	\$1,000	\$1,000

**Vehicles:**

<i>Veh#</i>	<i>Year</i>	<i>Make Model</i>	<i>VIN</i>	<i>Cost New</i>	<i>Rating Class</i>	<i>Deduct OTC</i>	<i>DEDUCT COLL</i>
32	2022	Ford / F350 Pickup Truck	1FDBF3865NEE94727	\$85,000	014-990	\$1,000	\$1,000

**Other Significant Terms and Conditions/Restrictions:**

<i>Description</i>
Total Units Quoted: 32
Comprehensive, Collision Each - OCN: \$1,455,569

### Excess Liability

Carrier Information	Renewal Quote
Policy Term	12/31/2023 - 12/31/2024
Carrier	Argonaut Great Central Insurance Company
A.M. Best Rating	A- XII
Admitted/Non-Admitted	Admitted
Payment Plan	Annual Payment due in full within 30 days of binding
Payment Method	Agency Bill or Direct Bill
Premium & Exposures	
Premium	\$11,766.00
TRIA	\$353.00
Minimum Type	None
Estimated Cost	\$12,119.00
Standard Coverages	
Each Occurrence, Offense, Accident or Wrongful Act	\$7,000,000
Annual Aggregate	\$7,000,000
Deductibles/SIR	
No SIR on the Excess. Excess is follow form.	0
Defense Limitations	
Excess is follow form. U/L is Defense outside the limit on all lines.	0

Exclusions (including but not limited to)
Workers' Compensation, Auto No Fault, Uninsured/ Underinsured Motorists, Disability, and Unemployment Compensation Laws
Pollution (Hostile Fire Exception)
Asbestos
Physical Damage to Property in Insured's Care, Custody, or Control
Auto First-party Coverage
Pollution (Auto)
Products Recall
Employment Related Practices Exclusion
Total Pollution Exclusion
Professional Liability Exclusion
Retained Limit

Form Type	
Form Type	Occurrence

**Underlying Policies:**

Coverage	Description	Limit	Carrier Name	Effective Date	Expiration Date
General Liability	Limit of Liability	\$1,000,000	Argonaut Great Central Insurance Company	12/31/2023	12/31/2024
Public Officials Liability	Limit of Liability	\$1,000,000	Argonaut Great Central Insurance Company	12/31/2023	12/31/2024
Employment Practices Liability	Limit of Liability	\$1,000,000	Argonaut Great Central Insurance Company	12/31/2023	12/31/2024
Law Enforcement Liability	Limit of Liability	\$1,000,000	Argonaut Great Central Insurance Company	12/31/2023	12/31/2024
Automobile Liability	Limit of Liability	\$1,000,000	Argonaut Great Central Insurance Company	12/31/2023	12/31/2024

### Equipment Breakdown

Carrier Information	Renewal Quote
Policy Term	12/31/2023 - 12/31/2024
Carrier	The Hartford Steam Boiler Inspection and Insurance Company
A.M. Best Rating	A++ X
Admitted/Non-Admitted	Admitted
Payment Plan	All Premiums and any fees are due to RPS within 20 days of binding
Payment Method	Agency Bill
Premium & Exposures	
Premium	\$4,356.00
Exposure / TIV	\$29,010,991
TRIA	\$0.00
Minimum Type	None
Estimated Cost	\$4,356.00
Standard Coverages	
Equipment Breakdown Limit	\$50,000,000 - Loc.# All
Property Damage	Included - Loc.# All
Business Income	Included - Loc.# All
Extra Expense	Included - Loc.# All
Additional Coverages	
Civil Authority	Included - Loc.# All
Contingent Business Income	\$2,500,000 - Loc.# All
Data Restoration	\$2,500,000 - Loc.# All
Demolition	\$2,500,000 - Loc.# All
Expediting Expenses	Included - Loc.# All
Green	\$25,000 - Loc.# All
Hazardous Substances	\$2,500,000 - Loc.# All
Mold	\$25,000 - Loc.# All
Newly Acquired Locations	Included - Loc.# All
Off Premises Equipment Breakdown	\$2,500,000 - Loc.# All
Ordinance or Law	\$2,500,000 - Loc.# All
Perishable Goods	Included - Loc.# All
Public Relations	\$5,000 - Loc.# All
Service Interruption	Included - Loc.# All
Newly Acquired Locations	365 Days
Extended Period of Restoration	365 Days
Miscellaneous Unnamed Locations Limit	\$1,000,000
Deductibles/SIR	
Deductible : Combined, All Coverages	\$1,000
Deductible : Interruption of Service Waiting Period	4 Hours
Coinsurance	
Coinsurance	Business Income Coinsurance: Waived Until 12/31/2024

**Endorsements**

HSB TechAdvantage™ Equipment Breakdown Coverage Form

**Other Significant Terms and Conditions/Restrictions:**

**Description**

Location(s): Per Statement of Values submitted on September 18, 2023 Total of 21 locations

Notice of Cancel. Other than Non-Payment: 90 Days

The Words 'on the Same Site' are Deleted from Valuation a.(2)

Covered Services as Defined Under "Interruption of Service" Includes "Cloud Computing Service".

Covered Cause of Loss :

Accident - Included

Electronic Circuitry Impairment - Included





### Cyber Liability

<b>Carrier Information</b>	<b>Renewal Quote</b>
Policy Term	12/31/2023 - 12/31/2024
Carrier	Underwriters at Lloyd's, London
A.M. Best Rating	A XV
Admitted/Non-Admitted	Admitted
Payment Plan	Payment due in full within 30 days of binding
Payment Method	Agency Bill
<b>Premium &amp; Exposures</b>	
Premium	\$4,714.40
Surplus Lines Tax	\$167.00
Surplus Lines Stamping Fee	\$2.00
Wholesaler Fees - RPS Service Fee	\$100.00
Exposure / TIV	\$15,925,084 - Revenue
TRIA	\$47.20
Minimum Type	None
Estimated Cost	\$5,030.60
<b>Standard Coverages</b>	
Each Claim Aggregate Limit of Liability	\$1,000,000
Each Event Aggregate Limit of Liability	\$1,000,000
Privacy Liability (including Employee Privacy)	\$1,000,000
Privacy Regulatory Claims Coverage	\$1,000,000
Security Breach Response Coverage	\$1,000,000
Security Liability	\$1,000,000
Multimedia Liability	\$1,000,000
Cyber Extortion	\$50,000
Business Income Loss	\$1,000,000
Restoration Costs	\$1,000,000
Reputation Business Income Loss	\$1,000,000
Systems Integrity Restoration Loss	\$250,000
PCI DSS Assessment	\$1,000,000
Phishing Loss	\$50,000
Services Fraud Loss	\$100,000
Reward Fund Loss	\$50,000
Personal Financial Loss	\$250,000
Corporate Identity Theft Loss	\$250,000
Telephone Hacking Loss	\$100,000
Direct Financial Loss (Funds Transfer Fraud)	\$100,000
Cyber Deception	\$100,000
<b>Additional Coverages</b>	
Court Attendance Costs	\$100,000
Bodily Injury / Property Damage Liability	\$250,000
TCPA	\$100,000
HIPAA Corrective Action Plan Costs	\$50,000
Post Breach Response	\$25,000

Carrier Information	Renewal Quote
Independent Consultant	\$25,000
Outsourced Provider	\$250,000
Computer System	\$250,000
<b>Deductibles/SIR</b>	
Privacy Liability (including Employee Privacy)	\$2,500
Privacy Regulatory Claims Coverage	\$2,500
Security Breach Response Coverage	\$2,500
Security Liability	\$2,500
Multimedia Liability	\$2,500
Cyber Extortion	\$2,500
Business Income and Digital Asset Restoration	\$2,500
PCI DSS Assessment	\$2,500
Phishing Loss	\$2,500
Services Fraud Loss	\$2,500
Reward Fund Loss	\$2,500
Personal Financial Loss	\$2,500
Corporate Identity Theft Loss	\$2,500
Telephone Hacking Loss	\$2,500
Direct Financial Loss (Funds Transfer Fraud)	\$2,500
Cyber Deception	\$5,000
<b>Defense Limitations</b>	
Cyber Liability	Applies

Endorsements	
Lloyd's Cover Jacket Last Page - LMA3031 01/03/2006	
New Short Rate Cancellation Table Endorsement - NMA0045	
Illinois Notice Regarding the Religious Freedom an - IL N 175 11/01/2011	
Fraud Statement - IL N 001 09/01/2003	
Illinois Changes - Defense Costs - IL 01 62 10/01/2013	
Notice to Illinois Policyholders - Consumer Affair - BISI-ST-IL 12/01/2011	
Illinois Changes - Other Insurance Clause Amendato - BISI-ST-IL 12/01/2011	
Illinois Changes - Cancellation and NonRenewal - BISI-ST-IL 12/01/2011	
Nuclear Energy Liability Exclusion Endorsement (Br - IL 00 21 09/01/2008	
Exclusion of Certain Computer Related Losses - IL 09 35 07/01/2002	
Change Form 1 - BISI-PF004 12/01/2011	
Lloyds Package First Coverage Form - MUNI-BISI- 12/01/2011	
Exclusion of Terrorism Involving Nuclear, Biologic - IL 00 31 01/01/2006	
Exclusion of Certified Acts of Terrorism - IL 09 53 01/01/2008	
Lloyds Common Policy Dec Page 1 - BISI-PF-DE 12/01/2011	
Lloyds Certificate - LMA3031 01/03/2006	
<b>Exclusions (including but not limited to)</b>	
Nuclear Incident Exclusion Clause (Broad)	
Radioactive Contamination Exclusion Clause	
Sanction Limitation and Exclusion Clause	

Form Type	
Form Type	Claims Made
Retroactive Date	Full Prior Acts
Pending & Prior Date	N/A
Incident/Claim Reporting Provision	Immediately report all claims to Baker Hostetler at the 24 Hour Security Breach Hotline: 1-866-288-1705

**Definition Of Claim:**

"Claim" Means:

1. A Written Demand Received by "You" for Money or Services, Including the Service of a Civil Suit or Institution of Arbitration Proceedings;
2. Initiation of a Civil Suit Against "You" Seeking Injunctive Relief;
3. A Written Notice of an Alleged "Privacy Wrongful Act" or "Security Wrongful Act" from a Third Party.
4. Solely with Respect to Coverage B., A "Regulatory Claim" Made Against "You"; Or
5. Solely with Respect to Coverage H., Written Notice to "You" of a "PCI DSS Assessment".

Multiple "Claims" Arising from the Same or a Series of Related or Repeated "Wrongful Acts", Acts, Errors, Or Omissions or from any Continuing "Wrongful Acts", Acts, Errors or Omissions Shall be Considered a Single "Claim" for the Purposes of This Policy, Irrespective of the Number of Claimants or "You" Involved Therein. All Such Related "Claims" Shall be Deemed to Have Been First Made at the Time the Earliest Such "Claim" was Made or Deemed Made Under Section IX.A.

**Claims Made Disclaimer:**

Should you elect to change carriers (if a new retroactive date is provided) or non-renew this policy, a supplemental extended reporting endorsement may be available subject to policy terms and conditions. You must request the extended reporting period in writing to the carrier within (30) days of the expiration date. The cost of this extended reporting period is 100% of the annual premium and is fully earned. The extended reporting period extends only to those claims made during the extended reporting period for wrongful acts that occurred prior to the expiration date and would have been covered by the policy. Claims must be reported to the carrier within (90) days of the end of the policy period. The extended reporting period does not increase the limits of liability and is subject to all policy terms, conditions and exclusions.

## Workers Compensation

Carrier Information	Renewal Quote
Policy Term	1/1/2024 - 1/1/2025
Carrier	Illinois Public Risk Fund
A.M. Best Rating	Not Rated
Payment Plan	Annual
Payment Method	Direct Bill
Premium & Exposures	
Premium	\$49,370.00
Carrier Fees - 3% Administrative Fee	\$1,481.00
Exposure / TIV	2,026,000
TRIA	Included
Minimum Type	None
Estimated Cost	\$50,851.00

States
States Covered: IL
States Excluded: OH, ND, WA, WY
Extraterritorial Jurisdictions: All State Except OH, ND, WA, WY

Standard Coverages	
Coverage A - Workers' Compensation	
Employers' Liability Limits Bodily Injury by Accident	\$3,000,000
Employers' Liability Limits Bodily Injury by Disease	\$3,000,000
Deductibles/SIR	N/A

Endorsements
Broad Form All States Except Monopolistic (ND, OH, WA, WY)
Stop Gap Coverage
Exclusions (Including but not limited to)
Voluntary Compensation
Longshore & Harbor Workers' Act
Owners or Officers
Bodily Injury to an Employee While Employed in Violation of Law
Bodily Injury Intentionally Caused by Insured
Federal Employers' Liability Act
Assumptions under Contract

**Subject to Audit: At Expiration**

**Auditable Exposures:**

State	Class Code	Description	Exposure	Rate per \$100
IL	5506	Street Maintenance – Loc #: 1	\$248,000.00 - Annual Remuneration/Payroll	7.904
IL	7520	Water Works – Loc #: 1	\$210,000.00 - Annual Remuneration/Payroll	2.502
IL	7580	Sewage Disposal – Loc #: 1	\$180,000.00 - Annual Remuneration/Payroll	3.184
IL	7720	Policeman – Loc #: 1	\$958,000.00 - Annual Remuneration/Payroll	1.914
IL	8810	Clerical – Loc #: 1	\$430,000.00 - Annual Remuneration/Payroll	0.104
IL	9410	Municipal Employees – Loc #: 1	\$0.00 - Annual Remuneration/Payroll	2.786

## Premium Summary

The estimated program cost for the options are outlined in the following table:

Line of Coverage		Expiring	Renewal Options
		Argonaut Great Central Insurance Company	Arch Insurance Company
Property	Premium	\$24,233	\$33,293
	TRIA	\$727	\$999
	<b>Estimated Cost*</b>	<b>\$24,960</b>	<b>\$34,292</b>
	Change (\$)	-	(\$9,332)
	Change (%)	-	37.39%
	Exposure / TIV	\$25,187,986	\$29,010,991 – Total Insured Values
		Argonaut Great Central Insurance Company	Arch Insurance Company
Inland Marine	Premium	\$885	\$888
	TRIA	\$27	\$27
	<b>Estimated Cost*</b>	<b>\$912</b>	<b>\$915</b>
	Change (\$)	-	(\$3)
	Change (%)	-	0.33%
	Exposure / TIV	\$566,467	\$566,467
		Argonaut Great Central Insurance Company	Argonaut Great Central Insurance Company, Argonaut Insurance Company, Argonaut-Midwest Insurance Company
General Liability	Premium	\$25,519	\$28,214
	TRIA	\$194	\$222
	<b>Estimated Cost*</b>	<b>\$25,713</b>	<b>\$28,436</b>
	Change (\$)	-	(\$2,723)
	Change (%)	-	10.59%
		Argonaut Great Central Insurance Company	Argonaut Great Central Insurance Company
Automobile	Premium	\$14,624	\$17,811
	<b>Estimated Cost*</b>	<b>\$14,624</b>	<b>\$17,811</b>
	Change (\$)	-	(\$3,187)
	Change (%)	-	21.79%
	Total Vehicle Value	\$1,401,151	\$1,455,569
	Exposure / TIV	31	32 Total Units
		Argonaut Great Central Insurance Company	Argonaut Great Central Insurance Company
Excess Liability	Premium	\$10,927	\$11,766
	TRIA	\$328	\$353
	<b>Estimated Cost*</b>	<b>\$11,255</b>	<b>\$12,119</b>
	Change (\$)	-	(\$864)
	Change (%)	-	7.68%

		The Hartford Steam Boiler Inspection and Insurance Company	The Hartford Steam Boiler Inspection and Insurance Company
<b>Equipment Breakdown</b>	Premium	\$3,864	\$4,356
	<b>Estimated Cost*</b>	<b>\$3,864</b>	<b>\$4,356</b>
	Change (\$)	-	(\$492)
	Change (%)	-	12.73%
	Exposure / TIV	\$25,187,986	\$29,010,991
		Underwriters at Lloyd's, London	Underwriters at Lloyd's, London
<b>Cyber Liability</b>	Premium	\$3,797	\$4,714.40
	<b>Estimated Cost*</b>	<b>\$4,072</b>	<b>\$5,030.60</b>
	Change (\$)	-	(\$958.60)
	Change (%)	-	23.54%
	Exposure / TIV	\$13,486,000	\$15,925,084 - Revenue
		Allmerica Financial Benefit Insurance Co	Allmerica Financial Benefit Insurance Co
<b>Crime</b>	Premium	\$1,011	\$1,011
	<b>Estimated Cost*</b>	<b>\$1,011</b>	<b>\$1,011</b>
	Change (\$)	-	-
	Change (%)	-	-
			Illinois Public Risk Fund
<b>Workers Compensation</b>	Premium	\$50,857	\$49,370
	<b>Estimated Cost*</b>	<b>\$52,383</b>	<b>\$50,851</b>
	Change (\$)	-	(\$1,532)
	Change (%)	-	(2.92%)
	Exposure / TIV	\$1,941,000	\$2,026,000 - Payroll
Subtotal		\$137,518	\$153,173.40
TRIA		\$1,276	\$1,648.20
<b>Total Program Cost</b>		<b>\$138,794</b>	<b>\$154,821.60</b>

\*Estimated Cost includes all taxes, fees, surcharges and TRIA premium (if applicable)

Quote from **Underwriters at Lloyd's, London (Underwriters at Lloyd's, London)** is valid until **1/6/2024**

Quote from **The Hartford Steam Boiler Inspection and Insurance Company (Munich Re America Corporation Group)** is valid until **11/11/2023**

Quote from **Illinois Public Risk Fund (Illinois Public Risk Fund)** is valid until **12/31/2023**

Quote from **Argonaut Great Central Insurance Company (Argo Group), etc...** is valid until **12/31/2023**

Quote from **Argonaut Great Central Insurance Company (Argo Group)** is valid until **12/31/2023**

Quote from **Arch Insurance Company (Arch Insurance Group)** is valid until **12/31/2023**

Quote from **Argonaut Great Central Insurance Company (Argo Group)** is valid until **12/31/2023**

Quote from **Arch Insurance Company (Arch Insurance Group)** is valid until **12/31/2023**

Premiums are due and payable as billed and may be financed, subject to acceptance by an approved finance company. Following acceptance, completion (and signature) of a premium finance agreement with the specified down payment is required. Note: Unless prohibited by law, Gallagher may earn compensation for this optional value-added service.

Gallagher is responsible for the placement of the following lines of coverage:

- Property**
- Inland Marine**
- General Liability**
- Automobile**
- Excess Liability**
- Equipment Breakdown**
- Cyber Liability**
- Workers Compensation**

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.





## Premium Financing

**Gallagher is pleased to offer Premium Financing for our clients.**

### **What is Premium Financing?**

Premium financing is a short-term loan that provides premium payment flexibility. By financing, you have the option to spread out your premium payments instead of paying in full at the time of policy purchase or renewal.

### **Why Premium Financing May be Good for Your Business?**

- May improve **capital and cash flow management** by spreading out premium payments over the policy period.
- Allows for **consolidation** of multiple policies into one premium finance agreement with a single monthly or quarterly payment.
- Provides automated **ACH options and flexible payment terms**.

### **Want to Learn More?**

If you are interested in learning more or obtaining a quote, contact your Client Service Manager.

## Payment Plans

<i>Carrier / Payable Carrier</i>	<i>Line Of Coverage</i>	<i>Payment Schedule</i>	<i>Payment Method</i>
<b>Arch Insurance Company (Arch Insurance Group)</b>	Property	Annual Payment due in full within 30 days of binding	Agency Bill
<b>Arch Insurance Company (Arch Insurance Group)</b>	Inland Marine	Annual Payment due in full within 30 days of binding	Agency Bill
<b>Argonaut Great Central Insurance Company (Argo Group)</b> <b>Argonaut Insurance Company (Argo Group International Holdings, Ltd)</b> <b>Argonaut-Midwest Insurance Company (Argo Group)</b>	General Liability	Annual Payment due in full within 30 days of binding	Agency Bill
<b>Argonaut Great Central Insurance Company (Argo Group)</b>	Automobile	Annual Payment due in full within 30 days of binding	Agency Bill or Direct Bill
<b>Argonaut Great Central Insurance Company (Argo Group)</b>	Excess Liability	Annual Payment due in full within 30 days of binding	Agency Bill or Direct Bill
<b>The Hartford Steam Boiler Inspection and Insurance Company (Munich Re America Corporation Group)</b>	Equipment Breakdown	All Premiums and any fees are due to RPS within 20 days of binding	Agency Bill
<b>Underwriters at Lloyd's, London (Underwriters at Lloyd's, London)</b>	Cyber Liability	Payment due in full within 30 days of binding	Agency Bill
<b>Illinois Public Risk Fund (Illinois Public Risk Fund)</b>	Workers Compensation	Annual	Direct Bill

## Coinsurance Illustration

**Coinsurance Formula:**

Insurance Carried ÷ Insurance Required x Loss - Deductible = **Settlement**

**Example of Coinsurance formula applied to a hypothetical loss situation:**

Property Value	=	\$1,000,000
Coinsurance Amount	=	80%
Deductible	=	\$500
Insurance Required	=	\$800,000 (80% of \$1,000,000)
Insurance Carried	=	\$400,000
Loss Incurred	=	\$200,000

Settlement determined by applying the coinsurance formula:

\$400,000

(Insurance Carried)

\_\_\_\_\_

x \$200,000 (Loss) - \$500 (Deductible) = \$99,500 Settlement

\$800,000  
(Insurance Required)

**Note:** If the property in the above example is insured for the full insurance required (\$800,000), the insured will recover \$199,500. In the above example, the insured will suffer a \$100,000 penalty for not being insured to the proper limit.

## Proposal Disclosures

## Proposal Disclosures

The following disclosures are hereby made a part of this proposal. Please review these disclosures prior to signing the Client Authorization to Bind or e-mail confirmation.

### **Proposal Disclaimer**

IMPORTANT: The proposal and/or any executive summaries outline certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. The insurance policies themselves must be read to fully understand the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract of insurance. Policy forms will be made available upon request. We make no warranties with respect to policy limits or coverage considerations of the carrier.

### **Compensation Disclosure**

1. Gallagher Companies are primarily compensated from the usual and customary commissions, fees or, where permitted, a combination of both, for brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary based on market conditions and the insurance product placed for the client.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies that provide for additional compensation if certain underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the insurance company, not on an individual policy basis. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. If you do not wish to have your commercial insurance placement included in consideration for additional compensation, contact your producer or service team for an Opt-out form.
3. Gallagher Companies may receive investment income on fiduciary funds temporarily held by them, or from obtaining or generating premium finance quotes, unless prohibited by law.
4. Gallagher Companies may also access or have an ownership interest in other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace some of which may earn and retain customary brokerage commission and fees for their work.

If you have specific questions about any compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

### **TRIA/TRIPRA Disclaimer**

If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

TRIPRA is set to expire on December 31, 2027. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2027. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

### ***Property Estimator Disclaimer***

These property values were obtained using a desktop Property Estimator software operated by non-appraisal professionals. These property values represent general estimates which are not to be considered a certified appraisal. These property values include generalities and assumptions that may produce inaccurate values for specific structures.

### ***Terms and Conditions***

It is important that we clearly outline the nature of our mutual relationship. The following terms and conditions (these "Terms") govern your relationship with Gallagher unless you have separately entered into a written services agreement with Gallagher relative to the policies and services outlined in this Proposal, in which case that services agreement will govern and control with respect to any conflicts with these Terms. These Terms will become effective upon your execution of the Client Authorization to Bind Coverage (the "CAB") included in this Proposal and shall survive for the duration of your relationship with Gallagher relative to the policies placed pursuant to the CAB or otherwise at your request.

### ***Services***

Gallagher will represent and assist you in all discussions and transactions with insurance companies relating to the lines of insurance coverage set forth in the CAB and any other lines of insurance coverage with which you request Gallagher's assistance. Gallagher will consult with you regarding any matters involving these or other coverages for which you have engaged Gallagher. You have the sole discretion for approving any insurance policies placed, as well as all other material decisions involving your risk management, risk transfer and/or loss prevention needs.

Although you are responsible for notifying applicable insurance companies directly in connection with any claims, demands, suits, notices of potential claims or any other matters as required by the terms and conditions of your policies, Gallagher will assist you in determining applicable claim reporting requirements.

### ***Treatment of Information***

Gallagher understands the need to protect the confidentiality and security of your confidential and sensitive information and strives to comply with applicable data privacy and security laws. Your confidential and sensitive information will be protected by Gallagher and only used to perform services for you; provided that Gallagher may disclose and transfer your information to our affiliates, agents or vendors that have a need to know such information in connection with the provision of such services (including insurance markets, as necessary, for marketing, quoting, placing and/or servicing insurance coverages). We may also disclose such information as required by applicable data protection laws or the order of any court or tribunal, subject to our providing you with prior notice as permitted by law.

We will (i) implement appropriate administrative, physical and technical safeguards to protect personal information; (ii) timely report security incidents involving personal information to affected parties and/or regulatory bodies; (iii) create and maintain required policies and procedures; and (iv) comply with data subjects' rights, as applicable. To the extent applicable under associated data protection laws, you are a "business" or "controller" and Gallagher is a "service provider" or "data processor." You will ensure that any information provided to Gallagher has been provided with any required notices and that you have obtained all required consents, if any and where required, or are otherwise authorized to transfer all information to Gallagher and enable Gallagher to process the information for the purposes described in this Proposal and as set forth in Gallagher's Privacy Policy located at <https://www.aig.com/privacy-policy/>. Gallagher may update its Privacy Policy from time to time and any updates will be posted to such site.

### ***Dispute Resolution***

Gallagher does not expect that it will ever have a formal dispute with any of its clients. However, in the event that one should arise, we should each strive to achieve a fair, expedient and efficient resolution and we'd like to clearly outline the resolution process.

A. If the parties have a dispute regarding Gallagher's services or the relationship governed by this Proposal ("Dispute"), each party agrees to resolve that Dispute by mediation. If mediation fails to resolve the Dispute, you and Gallagher agree to binding arbitration. Each party waives all rights to commence litigation in court to resolve a Dispute, and specifically waives all rights to pursue relief by class action or mass action in court or through arbitration. However, the parties do not waive the ability to seek a court order of injunction in aid of the mediation and arbitration required by these Terms.

B. The party asserting a Dispute must provide a written notice ("Notice") of the claim to the other party and to the American Arbitration Association ("AAA") in accordance with its Commercial Arbitration Rules and Mediation Procedures. All Dispute resolutions will take place in Chicago, IL, unless you and Gallagher agree to another location. The parties will equally divide all costs of the mediation and arbitration proceedings and will each pay their own attorneys' fees. All matters will be before a neutral, impartial and disinterested mediator or arbitrator(s) that have at least 20 years' experience in commercial and insurance coverage disputes.

C. Mediation will occur within sixty (60) days of filing the Notice with the AAA. Mediation results will be reduced to a memorandum of understanding signed by you, Gallagher and the mediator. A Dispute that is not resolved in mediation will commence to binding arbitration. For Disputes in excess of \$500,000, either party may elect to have the Dispute heard by a panel of three (3) arbitrators. The award of the arbitrator(s) must be accompanied by a reasoned opinion prepared and signed by the arbitrator(s). Except as may be required by law, neither

you, Gallagher, nor a mediator or arbitrator may disclose the existence, content or results of any Dispute or its dispute resolution proceeding without the prior written consent of both you and Gallagher.

***Electronic Delivery***

In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that Gallagher may be required to deliver to you (including, but not limited to, insurance policies and endorsements, account statements and all other agreements, forms and communications) in connection with services provided by Gallagher. Electronic delivery of a document to you may be made via electronic mail or by other electronic means, including posting documents to a secure website.

***Miscellaneous Terms***

Gallagher is engaged to perform services as an independent contractor and not as your employee or agent, and Gallagher will not be operating in a fiduciary capacity.

Where applicable, insurance coverage placements and other services may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, you will be responsible for the payment of the taxes and/or fees, which Gallagher will separately identify on related invoices.

The Proposal and these Terms are governed by the laws of the State of Illinois, without regard to its conflict of law rules.

If an arbitrator/court of competent jurisdiction determines that any provision of these Terms is void or unenforceable, that provision will be severed, and the arbitrator/court will replace it with a valid and enforceable provision that most closely approximates the original intent, and the remainder of these Terms will remain in effect.

Except to the extent in conflict with a services agreement that you may enter into with Gallagher, these Terms and the remainder of the Proposal constitute the entire agreement between you and Gallagher with respect to the subject matter of the Proposal, and supersede all prior negotiations, agreements and understandings as to such matters.

## Client Signature Requirements



## Coverages for Consideration

### Overview

Gallagher recommends that you consider purchasing the following additional coverages for which you have exposure. A Proposal for any of the coverages below can be provided.

- Gallagher Crisis Protect

Please note the recommendations and considerations summarized in this section are not intended to identify all potential exposures. Gallagher is not an expert in all aspects of your business and assumes no responsibility to independently investigate the risks your business faces. Gallagher has relied upon the information you provided in making our insurance Proposals. If you are interested in pursuing additional coverages other than those listed above, please list the additional coverages in the Client Authorization to Bind.



## Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 11/20/2023, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	Coverage/Carrier	TRIA
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Property</b> Arch Insurance Company	<input type="checkbox"/> Accept
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Inland Marine</b> Arch Insurance Company	<input type="checkbox"/> Accept
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>General Liability</b> Argonaut Great Central Insurance Company, Argonaut Insurance Company, Argonaut-Midwest Insurance Company	<input type="checkbox"/> Accept
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Automobile</b> Argonaut Great Central Insurance Company	
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Excess Liability</b> Argonaut Great Central Insurance Company	<input type="checkbox"/> Accept
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Equipment Breakdown</b> The Hartford Steam Boiler Inspection and Insurance Company	<input type="checkbox"/> Accept
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Cyber Liability</b> Underwriters at Lloyd's, London	<input type="checkbox"/> Accept
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Workers Compensation</b> Illinois Public Risk Fund	Included*

\*For this coverage, TRIA cannot be rejected

### Additional Recommended Coverages

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By checking the box(es) below, you are requesting that Gallagher provide you with a Proposal for this coverage. By not requesting a Proposal for this coverage, you assume the risk of any uncovered loss.

### Other Coverages to Consider

Gallagher Crisis Protect

The above coverage(s) does not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those listed in the Additional Recommended Coverages, please list below:

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**Coverage Amendments and Notes:**

**Exposures and Values**

You confirm the payroll, values, schedules, and any other information pertaining to your operations, and submitted to the underwriters, were compiled from information provided by you. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies. You acknowledge it is your responsibility to notify Gallagher of any material change in your operations or exposures.

**Additional Terms and Disclosures**

Gallagher is not an expert in all aspects of your business. Gallagher's Proposals for insurance are based upon the information concerning your business that was provided to Gallagher by you. Gallagher expects the information you provide is true, correct and complete in all material respects. Gallagher assumes no responsibility to independently investigate the risks that may be facing your business, but rather have relied upon the information you provide to Gallagher in making our insurance Proposals.

Gallagher's liability to you arising from any of Gallagher's acts or omissions will not exceed \$20 million in the aggregate. The parties each will only be liable for actual damages incurred by the other party, and will not be liable for any indirect, special, exemplary, consequential, reliance or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with the Proposal, any of Gallagher's services or your relationship with Gallagher may be brought by either party any later than two (2) years after the accrual of the claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

You have read, understand and agree that the information contained in the Proposal and all documents attached to and incorporated into the Proposal, is correct and has been disclosed to you prior to authorizing Gallagher to bind coverage and/or provide services to you. By signing below, or authorizing Gallagher to bind your insurance coverage through email when allowed, you acknowledge you have reviewed and agree with terms, conditions and disclosures contained in the Proposal.

By: \_\_\_\_\_  
Print Name (Specify Title)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

# Appendix

## Bindable Quotations & Compensation Disclosure Schedule

Client Name: Village of Gilberts

Coverage	Insurance Company	Wholesaler, MGA, or Intermediary Name <sup>1</sup>	Est. Annual Premium <sup>2</sup>	Comm. % or Fee <sup>3</sup>	Gallagher U.S. Owned Wholesaler, MGA, or Intermediary % and/or Fee %
Property	Arch Insurance Company (Arch Insurance Group)	Trident Insurance Services	\$33,293.00	15 %	
Inland Marine	Arch Insurance Company (Arch Insurance Group)	Trident Insurance Services	\$888.00	15 %	
General Liability	Argonaut Great Central Insurance Company (Argo Group)	Trident Insurance Services	\$28,214.00	15 %	
	Argonaut Insurance Company (Argo Group International Holdings, Ltd)				
	Argonaut-Midwest Insurance Company (Argo Group)				
Automobile	Argonaut Great Central Insurance Company (Argo Group)	Trident Insurance Services	\$17,811.00	15 %	
Excess Liability	Argonaut Great Central Insurance Company (Argo Group)	Trident Insurance Services	\$11,766.00	15 %	
Equipment Breakdown	The Hartford Steam Boiler Inspection and Insurance Company (Munich Re America Corporation Group)	Risk Placement Services	\$4,356.00	20 %	10 %
Cyber Liability	Underwriters at Lloyd's London	Risk Placement Services	\$4,714.40	15 %	7.5% + \$100.00
Workers Compensation	Illinois Public Risk Fund (Illinois Public Risk Fund)	Boyle, Flagg and Seaman, Inc. (BF&S Insurance)	\$49,370.00	10 %	3%

- 1 We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.
- 2 If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.
  - \* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.
- 3 The commission rate is a percentage of annual premium excluding taxes & fees.
  - \* Gallagher is receiving \_\_\_% commission on this policy. The fee due Gallagher will be reduced by the amount of the commissions received.

## Binding Requirements

Coverage (Issuing Carrier)	Binding Requirements
<b>Property</b> Arch Insurance Company	Subject to: - Signed TRIA Form - Signed SOV
<b>Inland Marine</b> Arch Insurance Company	Subject to: - Signed TRIA
<b>General Liability</b> Argonaut Great Central Insurance Company Argonaut Insurance Company Argonaut-Midwest Insurance Company	Subject to: - Signed TRIA Form
<b>Automobile</b> Argonaut Great Central Insurance Company	Subject To: - Signed Illinois Uninsured Motorists Coverage and Underinsured Motorists Coverage Selection/Rejection
<b>Excess Liability</b> Argonaut Great Central Insurance Company	Subject To: -Signed TRIA form.
<b>Equipment Breakdown</b> The Hartford Steam Boiler Inspection and Insurance Company	N/A
<b>Cyber Liability</b> Underwriters at Lloyd's, London	N/A
<b>Workers Compensation</b> Illinois Public Risk Fund	N/A

## Claims Reporting By Policy

**Immediately report all claims.** Each insurer requires notice of certain types of claims depending on the potential exposure or particular injury types. It is important to thoroughly review your policy to ensure you are reporting particular incidents and claims, based upon the insurer's policy requirements.

If you are using a third party administrator ("TPA"), your TPA may or may not report claims to an insurer on your behalf. Although we will assist you where requested, it is important that you understand whether your TPA will be completing this notification.

### Reporting Direct to Carrier [Only When Applicable]

<i>Coverage(s): Package</i>	<i>Report To:</i>
Insurer: Argonaut Great Central Insurance Company, Argonaut Insurance Company, Argonaut-Midwest Insurance Company  Policy Term: 12/31/2023 - 12/31/2024	Insurer/TPA Name: Argonaut Great Central Insurance Company, Argonaut Insurance Company, Argonaut-Midwest Insurance Company  Phone: 833-240-4128 Fax: Email: <a href="mailto:CommercialNewClaims@argogroupus.com">CommercialNewClaims@argogroupus.com</a> Web: <a href="https://www.argolimited.com/trident/claims-retained-limits-group/">https://www.argolimited.com/trident/claims-retained-limits-group/</a>

<i>Coverage(s): Equipment Breakdown</i>	<i>Report To:</i>
Insurer: The Hartford Steam Boiler Inspection and Insurance Company  Policy Term: 12/31/2023 - 12/31/2024	Insurer/TPA Name: <b>The Hartford Steam Boiler Inspection and Insurance Company</b>  Phone: 888-472-5677 Fax: 888-329-5677 Email: <a href="mailto:new_loss@hsb.com">new_loss@hsb.com</a> Web: <a href="https://www.munichre.com/hsb/en/services/claims.html">https://www.munichre.com/hsb/en/services/claims.html</a>

<i>Coverage(s): Property, Inland Marine</i>	<i>Report To:</i>
Insurer: ARCH Insurance Company  Policy Term: 12/31/2023 - 12/31/2024	Insurer/TPA Name: ARCH Insurance Company  Phone: 877-688-2724 Fax: 866-266-3630 Email: <a href="mailto:claims@archinsurance.com">claims@archinsurance.com</a> Web: <a href="https://www.archcapgroup.com/Insurance/Regions/United-States/Claims">https://www.archcapgroup.com/Insurance/Regions/United-States/Claims</a>

### Reporting to Gallagher or Assistance in Reporting

<i>Coverage(s):</i>	<i>Report To:</i>
Gallagher Claim Center  Policy Term: 12/31/2023 - 12/31/2024	Phone: 855-497-0578 Fax: 225-663-3224 Email: <a href="mailto:ggb.nrcclaimscenter@ajg.com">ggb.nrcclaimscenter@ajg.com</a>



# Gallagher STEP



## Reduce Your Risk and Simplify Training

Safety training programs and educational materials for employees are critical for reducing accidents, increasing retention, and minimizing your total cost of risk now and in the future.

**Gallagher Safety Training Education Platform (STEP)** is our proprietary learning management system (LMS) that supports your safety program, provides real-time access to your loss control plans and keeps employees up to date with the latest safety standards.

### Key Benefits of Gallagher STEP

- **Register** for up to 10 complimentary modules every year from a library of over 100 training and safety shorts. In addition, monthly bulletins are available, covering topics such as general and environmental safety, human resources, and health and wellness.
- **Save** valuable time by assigning employee training and monitoring their latest progress and completion.
- **Simplify** the process of training to stay in compliance and avoid costly penalties.
- **Onboard and train** an unlimited number of users while enhancing your overall risk control program.
- **Customize** your platform with your company's logo, training content and modules tailored to your business, and personalized procedures and forms for an added fee.

### Most Popular Training Modules

- Sexual Harassment and Discrimination
- Slip, Trip and Fall Training
- Electrical Safety Training
- Back Safety Training
- Bloodborne Pathogens
- Safe Lifting Practices
- Defensive Driving Basics
- Fire Prevention Basics
- Personal Protective Equipment
- GHS Hazard Communication



Gallagher CORE360<sup>®</sup> is our unique, comprehensive approach of evaluating your risk management program that leverages our analytical tools and diverse resources for custom, maximum impact on six cost drivers of your total cost of risk.

Please visit [ajg.com/us/gallagher-step/](http://ajg.com/us/gallagher-step/) to learn more.



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## Sample of Available Training Modules and Safety Shorts

### Human Resources Training

- Americans with Disabilities Act (ADA)
- California Ethics
- California Sexual Harassment & Discrimination—Employees (English and Spanish)
- California Sexual Harassment and Discrimination—Supervisors (English and Spanish)
- Connecticut Sexual Harassment Prevention and Response
- Diversity
- Drug-Free Workplace—Supervisor
- Ethics in Action
- Fair and Accurate Credit Transaction Act (FACTA)
- Family Medical Leave Act (FMLA)
- Interviewing Strategies
- Job Applications
- Maine Sexual Harassment Prevention and Response
- Personnel Files
- Sensitivity Basics: Creating Positive Working Relationships
- Sexual Harassment and Discrimination—Employees
- Sexual Harassment and Discrimination—Supervisors
- New York City Sexual Harassment and Discrimination—Employees (English and Spanish)
- New York City Sexual Harassment and Discrimination—Supervisors (English and Spanish)
- New York State Sexual Harassment and Discrimination—Employees (English and Spanish)
- New York State Sexual Harassment and Discrimination—Supervisors (English and Spanish)
- Smart Hiring
- Smart Risk Management—Core Principles
- Theft
- Unsafe Acts
- Violence Prevention
- Workers Compensation Essentials
- Workplace Investigations Basics
- Wrongful Termination

### Safety Training

- Accident Investigation Techniques
- Asbestos Awareness (General Industry)
- Basic Conveyor Safety
- Bloodborne Pathogens (English and Spanish)
- Creating a Safe Holiday Celebration
- Common Fire and Life Safety Hazards
- Continuity of Operations Planning
- Defensive Driving—Accident Scene Management
- Defensive Driving—Backing Safely, R is for Reverse
- Defensive Driving Basics—Part I (English and Spanish)
- Defensive Driving—Changing Lanes Safely
- Defensive Driving—Driving Safely in School Zones
- Defensive Driving—General Auto Risk Management
- Defensive Driving—Intersections
- Defensive Driving—Reducing Deer-Related Incidents
- Defensive Driving—Safe Following Distance
- Defensive Driving—Spring Weather Conditions
- Defensive Driving—Winter Weather Conditions
- Determining the Root Cause of Accidents
- Disaster Planning 101
- Electrical Safety (English and Spanish)
- Ladder Safety
- Employee and Family Disaster Planning
- Evacuation Planning and Procedures
- Fire Prevention Practices (English and Spanish)
- Forklift Safety Basics for General Industry
- Hazard Communication (English and Spanish)
- Hearing Protection
- Housekeeping—Custodial, Safe Housekeeping Practices
- Identifying Strain and Exertion Exposures (English and Spanish)
- Lead-Based Paint
- Lockdown Procedures
- Lockout/Tagout (English and Spanish)
- Machine Guarding (English and Spanish)
- Means of Egress (English and Spanish)
- Mold
- Office Ergonomics Defined
- Office Ergonomics—Working in Comfort
- Office Workstation Safety
- Office Workstation Safety for Supervisors
- Personal Protective Equipment (English and Spanish)
- Portable Fire Extinguishers I
- Portable Fire Extinguishers II
- Power Tool Safety
- Preparation for Physical Activity
- Preventing Back Injuries (English and Spanish)
- Preventing Slips, Trips and Falls (English and Spanish)
- Preventing Injuries When Lifting, Moving and Transferring Residents
- Safety Pays for Life
- Temp Staffing Services. Employee Safety Orientation (English and Spanish)

### Safety Shorts

Two safety shorts are considered one module selection.

- Bloodborne Pathogens
- Electrical Safety
- Emergency Procedures
- Fire Prevention and Protection
- Hand and Power Tools
- Hazard Communication
- Housekeeping/Custodial—Before You Start
- Housekeeping/Custodial—Cleaning by Hand
- Housekeeping/Custodial—Emptying Trash
- Housekeeping/Custodial—Mopping and Emptying Buckets
- Housekeeping/Custodial—Preventing Slips, Trips and Falls
- Housekeeping—General
- Ladder Safety
- Lockout/Tagout
- Personal Protective Equipment
- Safe Lifting Practices
- Slip, Trip and Fall

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## Overview and Login Information

The Gallagher eRiskHub® portal provides you with exclusive risk management tools and best practices to improve your organization's cyber risk posture. This important resource serves your cyber risk management strategies by enhancing your capabilities in cyberattack prevention, loss mitigation and cyber risk transfer techniques.

### To access the Gallagher eRiskHub® now:

1. Navigate to <https://eriskhub.com/gallagher>
2. Complete the new user registration at the bottom of the page. Choose your own user ID and password. The access code is **447597**.
3. After registering, you can access the hub immediately using your newly created credentials in the member login box located at the top right of the page.

If you have any questions about the Gallagher eRiskHub®, please reach out the eRiskHub® support staff at [support@eriskhub.com](mailto:support@eriskhub.com)

### Key Features of the Gallagher eRiskHub®

- **Risk Manager Tools**—A collection of tools for risk managers including research of known breach events, information to calculate the potential cost of a breach event, sample policies, breach response planning and more.
- **Learning Center**—An extensive collection of thought leadership articles, webinars, videos and blog posts covering everything from emerging cyber threats to data protection and more.
- **Security and Privacy Training**—Resources for creating an effective security training program for your employees.
- **Strategic Third-Party Relationships and Partner Resources**—Information on third-party vendors that can assist your organization improve your overall cyber risk, as well as access to exclusive Gallagher discounts on tools.

### Gallagher's Cyber Capabilities

Gallagher's Cyber practice has the expertise to deliver a full complement of cyber risk management and insurance services to help your team stay protected. We take a consultative, action-based approach to address the sophisticated and evolving nature of cyber liability to design custom solutions that meet your unique needs. For more information, please contact us.



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The information contained herein is offered as insurance industry guidance and provided as an overview of current market risks and available coverages and is intended for discussion purposes only. This publication is not intended to offer legal advice or client-specific risk management advice. Any description of insurance coverages is not meant to interpret specific coverages that your company may already have in place or that may be generally available. General insurance descriptions contained herein do not include complete insurance policy definitions, terms, and/or conditions, and should not be relied on for coverage interpretation. Actual insurance policies must always be consulted for full coverage details and analysis.

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## Business Continuity and Resilience Services

Businesses face so many challenges in today's marketplace that can disrupt operations or interrupt a supply chain, including:

- Cyber attacks
- COVID-19
- Natural disasters

Having a plan in place and being prepared to successfully manage these situations should be a critical component of any operating model.

The turbulence of 2020, especially the global COVID-19 pandemic, revealed to many organizations just how underprepared they are to effectively respond to and recover from major business disruptions or crises.

Organizations suddenly found they had to deal with unprecedented direct and indirect challenges to their businesses, including major supply chain disruptions, sudden shifts in customer demand and increased cyberthreats since a large portion of the workforce was operating remotely.

However, the incidence of these types of threats was escalating well before COVID-19, as were threats posed by workplace violence, societal unrest and natural disasters as a result of climate change.

To make matters worse, organizations are now faced with increased costs for insurance coverage as a result of a hard market.

Building resilient and recoverable operations has proven to be more difficult than ever. Organizations often struggle to develop a comprehensive yet pragmatic business continuity management framework to identify, assess and manage threats/vulnerabilities.

Underpreparedness has consequences. A minor incident can escalate to a major crisis that can consume an organization, and impact its brand/reputation and financial results for months, if not years.

According to Oxford Metrica, "Of the companies that faced a crisis, on average, more than three-quarters experienced a 20%-30% drop in their stock price as a result of the way the incident was managed."

For companies to achieve long-term resilience, they must be agile enough to respond and recover from any crisis, regardless of its nature or origin.

If COVID-19 taught us anything, it is that the ability to recover critical business processes builds confidence among key stakeholders such as employees, regulators, customers, investors, the media, the public and insurers.

Resilient organizations manage uncertainty. As a trusted partner and advisor, Gallagher's **Business Continuity and Resilience Services** team works with organizations to first assess their level of business resilience and then develop custom programs to improve it. We have developed business continuity, crisis management, crisis communications and supply chain risk management programs for clients in virtually every industry.

Oxford Metrica study 2020

## Business Continuity

A business continuity plan reduces the operational impact of an incident by directly targeting the recovery of an organization's value drivers—those business processes that directly drive revenue and reputation—and enables an organization to recover more efficiently and effectively following a major business disruption or crisis.

## Crisis Management

Crisis management plans prevent or mitigate risks to people, brands, reputations and financial results, and provide the overarching framework for all response and recovery activities within the organization. Moreover, these plans improve coordination and accelerate decision-making at all levels of an organization in the event of a crisis.

## Crisis Communications

Crisis communication plans communicate promptly, accurately and confidently to all stakeholders during an incident or actual crisis, and enable organizations to better coordinate internal and external global communications with media, employees, regulators, customers, investors and the public at large.

## Supply Chain Risk Management

A supply chain risk management program will help assess and manage third-party risks and vulnerabilities to ensure that products/services continue to be delivered both during and following a major disruption.

## Leaders Where it Counts

Gallagher was founded on a culture of ethics, service and a common interest—doing what's in our clients' best interest, not ours. That's one of the reasons why Gallagher has been named as one of the World's Most Ethical Companies<sup>®</sup> by Ethisphere for 11 consecutive years.

We are proud to be the only insurance broker to receive this recognition honoring companies who understand the importance of leading, making hard but values-based decisions, and exemplifying overall commitment to integrity.



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Gallagher provides risk services consultation that is tailored to our clients' particular loss history, industry risk factors, and insurance program structure. Our services, summaries and recommendations can include claim advocacy, evaluation of loss frequency and severity, loss prevention strategy, sufficiency of self-insured retentions, risk transfer options, identification of risk exposures, and insurance coverage for particular claims. Our work can also include collaboration with carriers, our client's legal counsel, loss prevention or actuarial consultants. We emphasize that any of the above risk services, risk management opinions, and advice provided directly to clients or to clients' third-party vendors, is both confidential and intended for our clients' use and not for distribution. We also only offer the advice from an insurance/risk management perspective and it is NOT legal advice or intended to supplant the advice or services provided to clients from legal counsel and advisors. We recommend that our clients seek advice from legal counsel and third-party professionals to become fully apprised of all legal and financial implications to their businesses.

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Arthur J. Gallagher & Co. named one of the World's Most Ethical Companies<sup>®</sup> for 2022.

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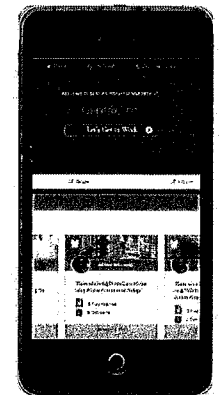
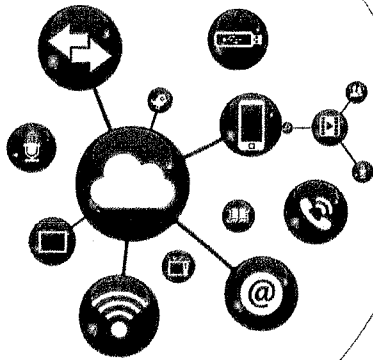
# Gallagher | Insight

## A Next Generation Engagement Solution

**Gallagher Insight** is a user-friendly web portal that allows secure, real-time collaboration between you and your Gallagher team. It empowers Clients with 24/7 access to their summary insurance information and an array of materials needed to run your risk management program, all at your fingertips on any device. Gallagher Insight is a password-protected portal accessible through any browser on your mobile phone, tablet or PC. Insight offers a modern design, robust features and upgraded functionality, including:

- Secure web-based document libraries for our clients
- Policy and document sharing with your Gallagher account team
- A private social network between your global team and ours
- Stewardship through goals, events and tasks set up by you and your Gallagher team
- Access to Gallagher's resource library
- Submission and tracking of service requests

Insight can be accessed from any electronic device using a secure ID and password to login.



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# Gallagher

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# Contractual Risk Compliance



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## Mitigate contractual risk with confidence

There is more to managing compliance than just collecting your third-party vendors' certificates. **Gallagher Verify™** ensures you are tracking all the information you need to keep your company organized, compliant and properly protected. Take advantage of our intelligent technology and experienced compliance experts to gain insight into your level of risk, giving you the freedom to focus on your day-to-day operations.



### Verified Testimonial

Gallagher Verify monitors expiration dates, insurance limits and other details across thousands of COIs. In addition, their team delivers a very consultative, custom approach, which has allowed us to significantly improve our overall risk exposure.

### Protect your business from unknown risk

A majority of organizations face unknown risk. In fact, research shows that most organizations average only 20% compliance for vendor insurance. Gallagher Verify limits your unknown risk and significantly improves compliance. Most companies that use Gallagher Verify average over 80% compliance.\*

### Track more than just certificates of insurance (COIs)

Our cloud software has the capability to track and verify compliance for any type of document your business is required to keep on file. These documents can include but are not limited to:

W-9 forms	OSHA mod rates	Background checks
MVRs	Contracts	Certifications and licenses

### Gallagher Verify brings big benefits to your business

- Increased profitability due to reduced internal administrative costs
- Insurance consulting with a risk advisor
- Reports and dashboards to manage compliance trends
- Ongoing monitoring of A.M. Best insurance carrier ratings and vendor compliance with A.M. Best ratings
- Easy-to-use cloud software used to track and record incoming COIs
- Proactive compliance calls to vendors
- Industry-specific software configurations

\*Tier 2 model.



**Learn More About CORE360\***

Gallagher Verify is part of Gallagher CORE360, our unique, comprehensive approach to evaluating your risk management program that leverages our analytical tools and diverse resources for custom, maximum impact on six cost drivers of your total cost of risk.

We consult with you to understand your **contractual liability**, and how to mitigate risks and associated costs.

This will empower you to know, control and minimize your total cost of risk, and improve your profitability.

**Tiers of service tailored to the needs of your organization**

	Tier 1	Tier 2
Gallagher Verify cloud software	✓	✓
Dedicated implementation project managers (includes data entry and software configuration)	✓	✓
Automated COI endorsement and document compliance verification	✓	✓
Automated noncompliance and renewal notifications to vendors	✓	✓
Client access to software support	✓	✓
Customizable daily, weekly and monthly reports, and historical compliance dashboard widgets	✓	✓
Risk management consulting for clients (insurance requirement exception guidance)		✓
Outgoing vendor compliance enforcement and educational phone calls (up to four phone calls per certificate of insurance)		✓
Weekly or monthly client stewardship calls with a risk advisor		✓
Unlimited phone support for vendors with insurance and contract-related questions		✓

**Verified Testimonial**

When we initially implemented Gallagher Verify, our third-party insurance compliance was less than 20%. Today, compliance is more than 90%. The aggressive tracking of insurance requirements and vendor compliance mitigates financial exposure, should there be a claim.

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## Appended Documents



**ILLINOIS PUBLIC RISK FUND  
GRANT PROGRAM**

**VILLAGE OF GILBERTS**

the Illinois Public Risk Fund has reserved

**\$6,711**

**Congratulations!**

Your organization has qualified for a Preferred Loss Ratio Grant of  
**\$4,065** which is included in the above amount.

Please visit [www.iprf.com](http://www.iprf.com)

for additional information and to complete the Grant Application.

**Grant deadline is December 1, 2024.**

*(subject to the program terms and conditions.)*

## **EMPLOYMENT PRACTICES LIABILITY COVERAGE PART – PUBLIC ENTITY EMPLOYEES**

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In return for the payment of premium and subject to the terms and conditions of this policy, we agree with you as follows:

### **INTRODUCTION**

Various provisions in this Coverage Part restrict coverage. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this coverage part the words **you** and **your** refer to *the Public Entity shown first as Named Insured in the Declarations*. 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 WHO IS AN INSURED (**Section II**).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (**Section VI**).

## **SECTION I – COVERAGES**

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### **A. Insuring Agreement**

We will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as damages because of a "wrongful employment act" committed anywhere in the world to which this insurance applies. This insurance DOES NOT apply to any "claim" resulting from a "wrongful employment act" that commenced prior to the Retroactive Date shown in the declarations.

This insurance applies only to a "claim" for "damages" first made against any insured during the policy period or any Extended Reporting Period we provide under SECTION V EXTENDED REPORTED PERIODS. A "claim" will be deemed to have been made when notice of such "claim" is received and recorded by you or your "designee" or by us, whichever comes first;

All "claims" arising out of the same "wrongful employment act" will be deemed to have been made at the time the first of those "claims" is made against any insured.

We will have the right and duty to defend the insured against any "suit" seeking "damages". However, we will have no duty to defend the insured against any "suit" seeking "damages" for a "wrongful employment act" to which this insurance does not apply. We may, at our discretion, investigate any "wrongful employment act" and settle any "claim" or "suit" that may result. However:

- a. The amount we will pay for "damages" is limited as described in Section III Limits Of Insurance And Deductible; and
- b. Our right and duty to defend ends when we have used up the applicable limit of insurance 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 Supplementary Payments (Section I. C.).

### **B. Exclusions**

This insurance does not apply to:

1. Any "claim", or any portion of any "claim", alleging "bodily injury", "property damage", "personal injury", "advertising injury" or "employee benefits injury".

2. Any "claim" arising out of a breach of contract, including but not limited to amounts owed under any written employment-related contract or agreement or liability assumed under any contract or agreement.
3. Any "claim" arising out of:
  - a. a dishonest, malicious, fraudulent or criminal act, error or omission by any person, or
  - b. a knowing violation of any law, statute or governmental regulation.

This exclusion applies only to the insured(s) who committed or had knowledge of the fraudulent, criminal or dishonest act, error, omission or violation of law. However if it is later established by a judgment or other final adjudication that the was not proven, we will reimburse the insured for the reasonable costs of defense

4. Any civil or criminal fines or penalties levied by any federal, state or local governmental regulatory agency or court.
5. Any "claim" arising out of:
  - a. Any collective bargaining agreements; or
  - b. Any lockout, strike, picket line, replacement of workers or other labor disputes or labor negotiations, union grievances or any "claim" filed by or on behalf of a union.
6. Any "claim" arising out of any liability based upon or attributable to any insured gaining profit, advantage, or remuneration to which that insured is not legally entitled.
7. Any "claim" arising out of any obligation of the insured under the following laws and any subsequent amendments thereto, or any similar laws, rules or regulations:
  - a. Fair Labor Standards Act.
  - b. National Labor Relations Act.
  - c. Worker Adjustment and Retraining Notification Act.
  - d. Consolidated Omnibus Budget Reconciliation Act of 1985.
  - e. Employee Retirement Income Security Act of 1974.
  - f. The Pension Benefit Act,
  - g. The Occupational Safety and Health Act
  - h. Section 89 of the Internal Revenue Code
8. Any "claim" arising out of disputes over benefits made by anyone including any beneficiary, related to their employment or application for employment by you. This includes, but is not limited to, an employee benefit plan, welfare plan, retirement plan, self insurance fund, or any obligation under the Employee Retirement Income Security Act, or COBRA, and any subsequent amendments thereto or any similar local, state or federal law or regulation.
9. Any "claim" arising out of the cost of employment reinstatement, continued employment or complying with any order for, grant of, or agreement to provide injunctive or other non-monetary relief.
10. Any "claim" for relief that is equitable in nature and is not payable in money, or any request for equitable or injunctive relief, or the insured's cost to comply with any such non-monetary relief.

The most we will pay to defend any "suit" that is solely seeking non-monetary or equitable or injunctive relief is limited under Supplementary Payments (Section I.C.).

If a "suit" seeks both monetary damages and non-monetary relief, we will defend the "suit".

11. Any "claim" arising out of:
  - a. Any prior and/or pending litigation as of the effective date of this Coverage Part set forth in the Declarations, or

- b. Any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, regardless of the legal theory upon which such "claim" is predicated.

12. Any "claim" arising out of:

- a. The activities or operations of any school, school board, school district, or other similar educational unit, entity or institutions;
- b. The activities or operations of any boards, commissions, agencies, authorities, administrative departments or other similar units operated by, under the jurisdiction, and within the budget of an entity described in 1 above;
- c. The liability of any insured for their administration, supervision or oversight of any person, entity, department, agency, or institution described in 1 or 2 above.

### C. Supplementary Payments

- 1. We will pay, with respect to any "claim" we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$300 a day because of time off from work.
  - d. All costs taxed against the insured in the "suit" that result from a verdict covered by this policy.
  - e. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
  - f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Our obligation to defend an insured and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

2. Non-Monetary Defense Limit

- a. The most we will pay for defense costs, to defend any and all "suits" brought that are solely seeking non-monetary or equitable or injunctive relief and/or for legal fees awarded to the plaintiff in such "suits" is \$50,000 per "suit". The most we will pay is \$50,000 in the aggregate for the policy period.
- b. We will not pay to defend any "suits" initiated by a governmental entity that are solely seeking non-monetary or equitable or injunctive relief.

This limit only applies when the "suit" would otherwise be covered by this Coverage Part, but for the fact it solely seeks non-monetary damages.

3. Equal Employment Opportunity Commission (EEOC) Defense Limit

While not a "claim" for "damages" otherwise covered by this Coverage Part, if we receive notification from you that an EEOC complaint has been filed against you during the policy period:

The most we will pay for defense costs to respond to an EEOC complaint or to attend related hearings and/or for legal fees that are awarded to a complainant is \$10,000 in excess of \$2,500 for each EEOC complaint that is filed against you. The most we will pay to defend any and all EEOC complaints filed against you during the policy period is \$50,000 in the aggregate.

These payments will not reduce the Limits of Insurance.

## **SECTION II – WHO IS AN INSURED**

---

You are an insured and.

Each of the following is an insured but only for acts that are both within the scope of his or her duties for you, and motivated, at least in part, by a purpose to serve you:

1. Any member of the governing body of the named insured.
2. Any board, commission, agency, authority, administrative department, or other similar unit operated by you and under your jurisdiction and within your budget.
3. All your past, present, and future elected, appointed, or employed officials..
4. Any employee or authorized volunteer of the named insured.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture, or any other entity, that is not shown as a named insured in the Declarations.

## **SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE**

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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; or
  - b. "Claims" made or "suits" brought; or
  - c. Persons or organizations making "claims" or bringing "suits".
2. The most we will pay for all "claims", "suits" or actions covered by this Coverage Part is the ANNUAL AGGREGATE shown in the Declarations.
3. Subject to 2. above, the Each "Wrongful Employment Act" Limit is the most we will pay for the sum of all "damages" arising out of any one "'wrongful employment act'".
4. Deductible
  - a. Our obligation to pay "damages" on your behalf and to pay "loss adjustment expense" applies only to the amount of "damages" and "loss adjustment expense" in excess of the Deductible shown in the Declarations. The Deductible shown in the Declarations applies to the total amount of all "damages" and related "loss adjustment expense" because of all "claims" resulting from any one "'wrongful employment act'".
  - b. The terms of this insurance, including those with respect to:
    - i. Our right and duty to defend any "suits" seeking those "damages"; and
    - ii. Your duties in the event of a "'wrongful employment act'", "claim", or "suit"Apply irrespective of the application of the Deductible amount.
  - c. We may pay any part, or all, of the Deductible amount applicable to "damages" and "loss adjustment expense" to effect settlement of any "claim" or "suit", and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible amount as has been paid by us.

If we file suit seeking recovery for amounts paid by us as a deductible which is to be reimbursed by you, then you are responsible for all costs of collection, including reasonable attorney's fees and interest on the amount in question in the full amount allowed by law.

#### 5. Back Wages Limit

Subject to the Aggregate Limit shown in the Declarations, the Back Wages Limit shown in the Declarations, after payment of the Back Wages Deductible shown in the Declarations, is the most we will pay under this Coverage Part for the sum of all "back wages" for any one "wrongful employment act", regardless of the number of:

- a. Insureds;
- b. "Claims" made or "suits" brought; or
- c. Persons or organizations making "claims" or bringing "suits".

This limit does not apply unless an amount is shown in the Declarations.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the Coverage Part period shown in the Declarations, unless the Coverage Part 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 IV - CONDITIONS

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#### A. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

#### B. Duties of the Named Insured

1. The Named Insured in the Declarations, or if multiple entities are named, the first of such entities, shall be the sole agent, and shall act on behalf, of each insured with respect to all matters under this Coverage Part, including but not limited to:
  - a. Giving notice of any "claim";
  - b. Giving or receiving notice of cancellation;
  - c. Receiving any other written notice or correspondence from us;
  - d. Consenting to the settlement of any "suit";
  - e. The receipt and acceptance of this Coverage Part and any endorsements to this Coverage Part;
  - f. The payment of any premium due under this Coverage Part;
  - g. The receipt of any return premiums that may become due under this Coverage Part; and
  - h. The exercise of any rights under Section V Extended Reporting Periods; and
2. Each insured agrees that the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, shall act on their behalf.

#### C. Duties In The Event Of A "Claim", "Suit" or "Wrongful Employment Act"

1. You must see to it that we are notified of a "wrongful employment act" which may result in a "claim" covered by this Coverage Part as soon as practicable after the "wrongful employment act" is known by you, or your "designee".

To the extent possible, notice should include:

- a. How, when and where the "wrongful employment act" took place;
- b. The names and addresses of any injured persons or witnesses; and

- c. The nature and location of any injury or damage arising out of the "wrongful employment act".

Notice of a "wrongful employment act" is not notice of a "claim".

2. If a "claim" is made or "suit" is brought against any insured, you must:
  - a. Record the specifics of the "claim" or "suit" and the date received as soon as you, or your "designee" is notified of it;
  - b. Notify us as soon as practicable after you or your "designee" learns of the "claim" or "suit".

You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.

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 or settlement of the "claim" or defense against the "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 insurance may also apply.
4. 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
5. Notice given by or on behalf of:
  - a. The insured;
  - b. The injured person;
  - c. Any other claimant;

to a licensed agent of ours with particulars sufficient to identify the insured shall be deemed notice to us.

#### **D. Assignment**

Assignment of interest under this Coverage Part shall not bind us until our consent is endorsed hereon; however, subject otherwise to the terms hereof, this Coverage Part shall cover the estate, heirs, legal representative or assigns of the insured in the event of the insured's death, bankruptcy, insolvency or being adjudged incompetent.

#### **E. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

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 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 and the claimant or the claimant's legal representative.

#### **F. Other Insurance**

The insurance provided by this Coverage Part is excess over any other collectible insurance. We will have no duty to defend the insured against any "suit" or "claim" for "damages" if any other insurer has a duty to defend the insured against that "suit".

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of:



1. The total amount that all other insurance would pay in the absence of this insurance; and
2. The total of all deductible and self-insured amounts under the other insurance.

If we share the loss, we will do so by equal share contribution if allowed by the other insurance. If equal share contribution is not permitted, we will contribute by the ratio our limit bears to the total applicable limits of all insurance.

#### **G. Conformity to Statute**

This Coverage Part is intended to be in full conformity with the laws of the state in which it is issued. If any provision of this Coverage Part (including endorsements which modify the Coverage Part) conflicts with any law, it is changed to comply with that law.

#### **H. Premium Audit**

Unless required by law, premiums for this Coverage Part shall not be subject to audit.

#### **I. Consent To Settle**

We will not settle any "suit" without your consent. If, however, you refuse to consent to any settlement recommended by us and elect to contest the "claim" or to continue any legal proceedings in connection with such "claim," then:

1. We will not be obligated to pay defense costs incurred by you subsequent to such refusal. and
2. If a settlement or adverse judgment occurs subsequent to such refusal, we will not be obligated to pay any amount in excess of the amount for which the "claim" could have been settled prior to such refusal.

Such amounts are subject to the provisions of Section III Limits of Insurance and Deductible of this Coverage Part.

#### **J. Representations**

By accepting this Coverage Part, you agree:

1. The application and the declarations are the basis of this Coverage Part and are to be considered as incorporated in and constituting part of this Coverage Part.
2. The statements in your application are accurate and complete;
3. Those statements are representations you made to us; and
4. We have issued this Coverage Part in reliance upon your representations.

#### **K. 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 Coverage Part, those rights are transferred to us. No insured should do anything after a "wrongful employment act" to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

#### **L. When We Do Not Renew**

If we decide not to renew this Coverage Part we will mail or deliver to the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing as required by state law will be sufficient proof of notice. Proof of mailing requirements may vary by state.

#### **M. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, this insurance 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.

**N. Title of Paragraphs**

The titles of the various paragraphs of this Coverage Part and endorsements, if any, attached to this Coverage Part, are inserted solely for convenience or reference and are not deemed in any way to affect the provisions to which they relate.

**SECTION V - EXTENDED REPORTING PERIODS**

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A. We will provide one or more Extended Reporting Periods, as described below, if:

1. This Coverage Part is cancelled or not renewed; or
2. We renew or replace this Coverage Part with insurance that:
  - a. Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
  - b. Does not apply to "wrongful employment acts" on a claims-made basis.

B. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" for:

1. "Wrongful Employment Acts" that first occur before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect Extended Reporting Periods may not be cancelled.

C. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for 90 days. Please refer to Section IV - Conditions, C. Duties in the Event of a "Claim", "Suit" or "Wrongful Employment Act", for your responsibilities when reporting an incident to us. The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

D. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.

E. A Supplemental Extended Reporting Period of 12, 24 or 36 months is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in paragraphs C. and D. above, ends.

1. You must give us a written request for the endorsement within 90 days after the end of the policy period. If you have chosen to purchase a Supplemental Extended Reporting Period for a period of less than 36 months, you may extend the period for up to a combined total of 36 months if you request the extension in writing no later than 60 days before the expiration of the Supplemental Extended Reporting Period originally elected.
2. The Supplemental Extended Reporting Period(s) will not go into effect unless you pay the additional premium, determined in accordance with our rates, promptly when due. The additional premium for each 12-month Supplemental Extended Reporting Period will be equal to 50% of the annual premium for this Coverage Part.
3. The insurance afforded for "claims" first made during the Supplemental Extended Reporting period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period(s) starts.

F. The Limit of Liability that applies to the Supplemental Extended Reporting period is equal to the limit entered on the declarations in effect at the end of the policy period.

## SECTION VI - DEFINITIONS

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1. "Advertising Injury" means
  - a. The use of another's advertising idea in your advertisement; or
  - b. Infringement of copyright, patent, slogan, trademark, trade secret, trade dress, or other intellectual property rights.
2. "Back wages" means wages that would have been earned in the past if a person had been employed or promoted or received a wage increase. "Back wages", as used in this Coverage Part, includes future wages and overtime, but "back wages" does not include:
  - a. Any wage loss resulting from any lockout, strike, picket line, replacement of workers or other similar actions in connection with labor disputes, labor negotiations, or collective bargaining agreements; or
  - b. Any future wages or other compensation paid to reinstated or rehired "employees" or claimants due and payable beyond the date of reinstatement or rehire.
3. "Bodily Injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these at any time.
4. "Claim" means written or oral demand, including a "suit", to hold the insured responsible for an alleged or actual "wrongful employment act" where payment of "damages" is sought.
5. "Damages" means money damages including "back wages". "Damages" does not include any amount awarded as liquidated damages pursuant to any federal or state statute. "Damages" does not include punitive damages, unless required by state law.
6. "Designee" means one of your officers, your legal department or an employee you designate to give notice to us.
7. "Employee" includes a "leased worker".
8. "Employee Benefits Injury" means injury that arises out of any act, error or omission in the administration of your "Employee Benefit Programs" or alleged violation of any employment related state or federal code, regulation or statute.
9. "Employee Benefits Programs" means a program or programs of employee benefits maintained in connection with your business or operations, such as but not limited to, Group Life Insurance, Group Accident or Health Insurance, Pension Plans, Employee Stock Subscription Plans, Workers Compensation, Unemployment Insurance, Social Security and Disability Benefits.
10. "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.
11. "Loss adjustment expense" means expenses allocated to a specific loss, "claim" or "suit" we incur or the insured incurs with our consent for the investigation, negotiation, arbitration, adjustment, settlement or defense of any "claim" or suit, whether paid by us or by the insured with our consent. "Loss adjustment expense" does not include salaries and expenses of our employees.
12. "Personal Injury" means:
  - a. False arrest, detention, imprisonment, abuse of process or malicious prosecution.
  - b. Wrongful entry or eviction, or other invasion of the right of private occupancy.
13. "Property Damage" means:
  - a. Physical injury to tangible property including all resulting loss of use of that property; or

- b. Loss of use of personal property that is not physically injured; or
- c. Disappearance of tangible property (including money).
- d. Impairment, deprivation or destruction of property, including loss of use thereof, resulting from proceedings in eminent domain, adverse possession, unlawful or unconstitutional taking of property or inverse condemnation, by whatever named called.

14. "Suit" means a civil proceeding in which "damages" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which "damages" may be awarded and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which "damages" may be awarded and to which the insured submits with our consent.

15. "Volunteer " means a person who:

- a. Is not an "employee" of any insured; or
- b. Donates his or her work; or
- c. Acts at the direction of, and within the scope of duties determined by, an insured; and
- d. Is not paid a fee, salary or other compensation by any insured or anyone else for their work performed for the insured.

16. "Wrongful employment act" means any actual or alleged wrongful dismissal, discharge, termination of employment, wrongful failure or refusal to employ or to promote, or violation of employment discrimination or workplace harassment laws.

All such acts, errors or omissions committed by one or more insureds that are substantially the same or are in any way directly or indirectly related -- either logically, causally or temporally -- shall be deemed to constitute one Wrongful Employment Act, regardless of the number of "claims" or claimants. The entire Wrongful Employment Act will be considered to have been committed on the date of the first act, error or omission.

## **PUBLIC OFFICIALS LIABILITY COVERAGE PART**

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Various provisions in this *Coverage Part* restrict coverage. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words *you* and *your* refer to the *Public Entity* shown first as *Named Insured* in the *Declarations*. 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 WHO IS AN INSURED (Section II).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section VI).

### **SECTION I – COVERAGES**

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#### **A. Insuring Agreement**

We will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as "damages" because of a "wrongful act" committed anywhere in the world to which this insurance applies. This insurance DOES NOT apply to any "claim" resulting from a "wrongful act" that commenced prior to the Retroactive Date shown in the declarations.

This insurance applies only to a "claim" for "damages" first made against any insured during the policy period or any Extended Reporting Period we provide under SECTION V EXTENDED REPORTED PERIODS. A "claim" will be deemed to have been made when notice of such "claim" is received and recorded by you or your "designee" or by us, whichever comes first;

All "claims" arising out of the same "wrongful act" will be deemed to have been made at the time the first of those "claims" is made against any insured.

We will have the right and duty to defend the insured against any "suit" seeking "damages". However, we will have no duty to defend the insured against any "suit" seeking "damages" for a "wrongful act" to which this insurance does not apply. We may, at our discretion, investigate any "wrongful act" and settle any "claim" or "suit" that may result. However:

- a. The amount we will pay for "damages" is limited as described in Section III Limits Of Insurance And Deductible; and
- b. Our right and duty to defend ends when we have used up the applicable limit of insurance 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 Supplementary Payments (Section I. C.).

#### **B. Exclusions**

This insurance does not apply to:

1. Any "claim", or any portion of any "claim", alleging "bodily injury", "property damage", "personal injury", "advertising injury" or "employee benefits injury".
2. Any "claim" arising out of:
  - a. The issuance of bonds; or
  - b. Tax assessment or valuation of real, business or personal property; and/or
  - c. Tax collection.
3. Any "claim" arising out of:

- a. a breach of contract; or
  - b. construction, architectural or engineering contracts, faulty preparation of bid specifications or any other procurement contract; or
  - c. liability which the insured has assumed in a contract or agreement, except mutual aid agreements between political subdivisions. This exclusion does not apply to liability for "damages" that the insured would have in the absence of the contract or agreement.
4. Any "claim" made by, on behalf of, or for the benefit of the named insured against an "employee" or official of the named insured.
5. Any "claim" flowing from or originating out of:
- a. a dishonest, malicious, fraudulent or criminal act, error or omission by any person, or
  - b. a knowing violation of any law, statute or governmental regulation.
- This exclusion applies only to the insured(s) who committed or had knowledge of the fraudulent, criminal or dishonest act, error, omission or violation of law. However if it is later established by a judgment or other final adjudication that the allegation was not proven, we will reimburse the insured for the reasonable costs of defense
6. Any "claim" arising out of any failure or omission to purchase or to maintain insurance coverage or any self-insurance fund.
7. Any "claim", or any portion of any "claim", seeking "damages" for emotional distress or mental anguish.
8. Any "claim" arising out of employment or application for employment with any insured, or any other employment related policies or practices.
9. Any civil or criminal fines or penalties levied by any federal, state or local governmental regulatory agency or court.
10. Any "claim" arising out of:
- a. Any collective bargaining agreements; or
  - b. Any lockout, strike, picket line, replacement of workers or other labor disputes or labor negotiations, union grievances or any "claim" filed by or on behalf of a union.
11. Any "claim" based upon or attributable to an insured gaining any profit, advantage, or remuneration to which that insured is not legally entitled.
12. Any claim arising out of:
- a. Any prior and/or pending litigation as of the effective date of this Coverage Part set forth in the Declarations, or
  - b. Any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, regardless of the legal theory upon which such claim is predicated.
13. Any "claim" arising out of the:
- a. Actual or threatened sexual abuse or molestation or any other types of improper sexual acts or
  - b. The negligent:
    - i. Employment; or
    - ii. Investigation; or
    - iii. Supervision; or
    - iv. Reporting to the proper authorities or failure to so report; or
    - v. Retention;

Of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by paragraph a. above;

c. Failure to protect any person from any acts or conduct described in a. above.

14. Any "claim" for relief that is equitable in nature and is not payable in money, or any request for equitable or injunctive relief, or the insured's cost to comply with any such non-monetary relief.

If a "suit" seeks both monetary "damages" and non-monetary relief, we will defend the "suit".

### C. Supplementary Payments

1. We will pay, with respect to any "claim" we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$300 a day because of time off from work.
  - d. All costs taxed against the insured in the "suit" that resulted from a verdict covered by this policy.
  - e. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
  - f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the Limits of Insurance.

Our obligation to defend an insured and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

## **SECTION II – WHO IS AN INSURED**

---

You are an insured, and

Each of the following is an insured but only for acts that are both within the scope of his or her duties for you, and motivated, at least in part, by a purpose to serve you:

1. Any member of the governing body of the named insured.
2. Any board, commission, agency, authority, administrative department, or other similar unit operated by you and under your jurisdiction and within your budget.
3. All your past, present, and future elected, appointed, or employed officials.
4. Any "employee" or authorized "volunteer" of the named insured.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a named insured in the Declarations.

### **SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE**

---

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; or
  - b. "Claims" made or "suits" brought; or
  - c. Persons or organizations making "claims" or bringing "suits".
2. The most we will pay for all "claims", "suits" or actions covered by this Coverage Part is the ANNUAL AGGREGATE shown in the Declarations.
3. Subject to 2. above, the Each Wrongful Act Limit is the most we will pay for the sum of all "damages" arising out of any one "wrongful act".
4. Deductible
  - a. Our obligation to pay "damages" on your behalf and to pay "loss adjustment expense" applies only to the amount of "damages" and "loss adjustment expense" in excess of the Deductible shown in the Declarations. The Deductible shown in the Declarations applies to the total amount of all "damages" and related "loss adjustment expense" because of all "claims" resulting from any one "wrongful act".
  - b. The terms of this insurance, including those with respect to:
    - i. Our right and duty to defend any "suits" seeking those "damages"; and
    - ii. Your duties in the event of a "wrongful act", "claim", or "suit"Apply irrespective of the application of the Deductible amount.
  - c. We may pay any part, or all, of the Deductible amount applicable to "damages" and "loss adjustment expense" to effect settlement of any "claim" or "suit", and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible amount as has been paid by us.

If we file suit seeking recovery for amounts paid by us as a deductible which is to be reimbursed by you, then you are responsible for all costs of collection, including reasonable attorney's fees and interest on the amount in question in the full amount allowed by law.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period 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 IV - CONDITIONS**

---

#### **A. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

#### **B. Duties of the Named Insured**

1. The Named Insured in the Declarations, or if multiple entities are named, the first of such entities, shall be the sole agent, and shall act on behalf, of each insured with respect to all matters under this Coverage Part, including but not limited to:
  - a. Giving notice of any "claim";
  - b. Giving or receiving notice of cancellation;
  - c. Receiving any other written notice or correspondence from us;



- d. Consenting to the settlement of any "suit";
  - e. The receipt and acceptance of this Coverage Part and any endorsements to this Coverage Part;
  - f. The payment of any premium due under this Coverage Part;
  - g. The receipt of any return premiums that may become due under this Coverage Part; and
  - h. The exercise of any rights under Section V Extended Reporting Periods; and
2. Each insured agrees that the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, shall act on their behalf.

**C. Duties In The Event Of A "Claim", "Suit" or "Wrongful Act"**

1. You must see to it that we are notified of a "wrongful act" which may result in a "claim" covered by this Coverage Part as soon as practicable *after* the "wrongful act" is known by you, or your "designee".

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 or witnesses; and
- c. The nature and location of any injury or damage arising out of the "wrongful act".

Notice of a "wrongful act" is not notice of a "claim".

2. If a "claim" is made or "suit" is brought against any insured, you must:
- a. Record the specifics of the "claim" or "suit" and the date received as soon as you, or your "designee" is notified of it;
  - b. Notify us as soon as practicable after you or your "designee" learns of the "claim" or "suit".

You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.

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 or settlement of the "claim" or defense against the "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 insurance may also apply.
4. 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
5. Notice given by or on behalf of:
- a. The insured;
  - b. The injured person;
  - c. Any other claimant;

to a licensed agent of ours with particulars sufficient to identify the insured shall be deemed notice to us.

#### D. Assignment

Assignment of interest under this Coverage Part shall not bind us until our consent is endorsed hereon; however, subject otherwise to the terms hereof, this Coverage Part shall cover the estate, heirs, legal representative or assigns of the insured in the event of the insured's death, bankruptcy, insolvency or being adjudged incompetent.

#### E. Legal Action Against Us.

No person or organization has a right under this Coverage Part:

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 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 and the claimant or the claimant's legal representative.

#### F. Other Insurance

The insurance provided by this Coverage Part is excess over any other collectible insurance. We will have no duty to defend the insured against any "suit" or "claim" for "damages" if any other insurer has a duty to defend the insured against that "suit".

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of:

1. The total amount that all other insurance would pay in the absence of this insurance; and
2. The total of all deductible and self-insured amounts under the other insurance.

If we share the loss, we will do so by equal share contribution if allowed by the other insurance. If equal share contribution is not permitted, we will contribute by the ratio our limit bears to the total applicable limits of all insurance.

#### G. Conformity to Statute

This Coverage Part is intended to be in full conformity with the laws of the state in which it is issued. If any provision of this Coverage Part (including endorsements which modify the Coverage Part) conflicts with any law, it is changed to comply with that law.

#### H. Premium Audit

Unless required by law, premiums for this Coverage Part shall not be subject to audit.

#### I. Consent To Settle

We will not settle any "suit" without your consent. If, however, you refuse to consent to any settlement recommended by us and elect to contest the "claim" or to continue any legal proceedings in connection with such "claim," then:

1. We will not be obligated to pay defense costs incurred by you subsequent to such refusal and
2. If a settlement or adverse judgment occurs subsequent to such refusal, we will not be obligated to pay any amount in excess of the amount for which the "claim" could have been settled prior to such refusal..

Such amounts are subject to the provisions of Section III Limits of Insurance and Deductible of this Coverage Part.

#### J. Representations

By accepting this Coverage Part, you agree:

1. The application and the declarations are the basis of this Coverage Part and are to be considered as incorporated in and constituting part of this Coverage Part.

2. The statements in your application are accurate and complete;
3. Those statements are representations you made to us; and
4. We have issued this Coverage Part in reliance upon your representations.

**K. 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 Coverage Part, those rights are transferred to us. No insured should do anything after a "wrongful act" to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**L. When We Do Not Renew**

If we decide not to renew this Coverage Part we will mail or deliver to the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing as required by state law will be sufficient proof of notice. Proof of mailing requirements may vary by state.

**M. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, this insurance 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.

**N. Title of Paragraphs**

The titles of the various paragraphs of this Coverage Part and endorsements, if any, attached to this Coverage Part, are inserted solely for convenience or reference and are not deemed in any way to affect the provisions to which they relate.

**SECTION V - EXTENDED REPORTING PERIODS**

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- A. We will provide one or more Extended Reporting Periods, as described below, if:
1. This Coverage Part is cancelled or not renewed; or
  2. We renew or replace this Coverage Part with insurance that:
    - a. Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
    - b. Does not apply to "wrongful acts" on a claims-made basis.
- B. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" for:
1. "Wrongful Acts" that first occur before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect Extended Reporting Periods may not be cancelled.

- C. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for 90 days. Please refer to Section IV - Conditions, C. Duties in the Event of a "Claim", "Suit" or "Wrongful Act", for your responsibilities when reporting an incident to us. The Basic Extended Reporting Peri-

od does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

- D. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.
- E. A Supplemental Extended Reporting Period of 12, 24 or 36 months is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in paragraphs C. and D. above, ends.
  - 1. You must give us a written request for the endorsement within 90 days after the end of the policy period. If you have chosen to purchase a Supplemental Extended Reporting Period for a period of less than 36 months, you may extend the period for up to a combined total of 36 months if you request the extension in writing no later than 60 days before the expiration of the Supplemental Extended Reporting Period originally elected.
  - 2. The Supplemental Extended Reporting Period(s) will not go into effect unless you pay the additional premium, determined in accordance with our rates, promptly when due. The additional premium for each 12-month Supplemental Extended Reporting Period will be equal to 50% of the annual premium for this Coverage Part.
  - 3. The insurance afforded for "claims" first made during the Supplemental Extended Reporting period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period(s) starts.
- F. The Limit of Liability that applies to the Supplemental Extended Reporting period is equal to the limit entered on the declarations in effect at the end of the policy period.

## SECTION VI - DEFINITIONS

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- A. "Advertising Injury" means
  - 1. The use of another's advertising idea in your advertisement; or
  - 2. Infringement of copyright, patent, slogan, trademark, trade secret, trade dress, or other intellectual property rights.
- B. "Bodily Injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these at any time.
- C. "Claim" means written or oral demand, including a "suit", to hold the insured responsible for an alleged or actual wrongful act where payment of "damages" is sought.
- D. "Damages" means money "damages". "Damages" does not include any amount awarded as liquidated "damages" pursuant to any federal or state statute. "Damages" does not include punitive "damages", unless required by state law.
- E. "Designee" means one of your officers, your legal department or an employee you designate to give notice to us.
- F. "Employee(s)" includes a "leased worker".
- G. "Employee Benefits Injury" means injury that arises out of any act, error or omission in the administration of your "Employee Benefit Programs" or alleged violation of any employment related state or federal code, regulation or statute.
- H. "Employee Benefits Programs" means a program or programs of employee benefits maintained in connection with your business or operations, such as but not limited to, Group Life Insurance, Group Accident or Health Insurance, Pension Plans, Employee Stock Subscription Plans, Workers Compensation, Unemployment Insurance, Social Security and Disability Benefits.
- I. "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.
- J. "Loss adjustment expense" means expenses allocated to a specific loss, "claim" or "suit" we incur or the insured incurs with our consent for the investigation, negotiation, arbitration, adjustment, settlement or defense of any "claim" or

suit, whether paid by us or by the insured with our consent. "Loss adjustment expense" does not include salaries and expenses of our employees.

K. "Personal Injury" means:

1. False arrest, detention, imprisonment, abuse of process or malicious prosecution.
2. Wrongful entry or eviction, or other invasion of the right of private occupancy.
3. Defamation in any form or oral or written publication, in any manner, of material that violates a person's right of privacy;

L. "Property Damage" means:

1. Physical injury to tangible property including all resulting loss of use of that property; or
2. Loss of use of personal property that is not physically injured; or
3. Disappearance of tangible property (including money).
4. Impairment, deprivation or destruction of property, including loss of use thereof, resulting from proceedings in eminent domain, adverse possession, unlawful or unconstitutional taking of property or inverse condemnation, by whatever name called.

M. "Suit(s)" means a civil proceeding in which "damages" to which this insurance applies are alleged. "Suit" includes:

1. An arbitration proceeding in which "damages" are claimed and to which the insured must submit or does submit with our consent; or
2. Any other alternative dispute resolution proceeding in which "damages" are claimed and to which the insured submits with our consent.

N. "Volunteer" means a person who:

1. Is not an "employee" of any insured; and
2. Donates his or her work; and
3. Acts at the direction of, and within the scope of duties determined by, an insured; and
4. Is not paid a fee, salary or other compensation by any insured or anyone else for their work performed for the insured.

O. "Wrongful Act" means any actual or alleged error, omission or breach of duty committed by any insured. All acts, errors or omissions committed by one or more insureds that are substantially the same or are in any way directly or indirectly related -- either logically, causally or temporally -- shall be deemed to constitute one wrongful act, regardless of the number of "claims" or claimants.