

RESOLUTION 27-2019

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, 2019 – DECEMBER 31, 2020

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, 2019 – December 31, 2020, 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 17 day of December 2019.


	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Dan Corbett	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Elissa Kojzarek	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Nancy Farrell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Jeanne Allen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Lou Hacker	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution No. 27-2019

Trustee Guy Zambetti
President Rick Zirk

✓

APPROVED THIS 14 DAY OF Dec., 2019



Village President, Rick Zirk

(SEAL)

ATTEST: 

Village Clerk, Courtney Baker

Resolution No. 27-2019

Exhibit A

**Arthur J. Gallagher Insurance Proposal
December 31, 2019 – December 31, 2020**



Proposal of Insurance

Village of Gilberts

87 Galligan Road
Gilberts, IL 60136

Revised: November 19, 2019

Effective: December 31, 2019

Rich Stokluska

Area Senior Executive Vice President

Arthur J. Gallagher Risk Management Services, Inc.

2850 Golf Road

Rolling Meadows, IL 60008

(630) 773-3800

Rich_Stokluska@ajg.com



ajg.com

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Gallagher

Insurance | Risk Management | Consulting

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Program Structure

Named Insured Schedule:

Add / Change / Delete	Named Insured	Package	Equipment Breakdown	Automobile	Umbrella	3 year Crime policy \$1,012 ea year	Cyber Liability	Workers Compensation
	Village of Gilberts	X	X	X	X	X	X	X

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



Service Team

Rich Stokluska has primary service responsibility for your company. We operate using a team approach. Your Service Team consists of:

NAME / TITLE	PHONE / ALT. PHONE	EMAIL	ROLE
Rich Stokluska, ARM Area Senior Executive Vice President	(630) 285-4012	Rich_Stokluska@ajg.com	Producer
JoAnn Bonnevier, CIC, CISR, CIIP Client Service Manager	(630) 694-3082	JoAnn_Bonnevier@ajg.com	Client Service Manager

Arthur J. Gallagher Risk Management Services, Inc.

Main Office Phone Number: (630) 773-3800

Service Commitment

Account Service

At Arthur J. Gallagher & Co., 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.

Acquisitions

On request, we will perform an insurance due-diligence review on all products and acquisitions.

Profit Center Premium Allocations

We will provide premium breakdown by entities and/or location schedule.

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.

Quarterly Account Review

Quarterly account reviews will include review of claims, exposures, audits, and service.

Loss Control

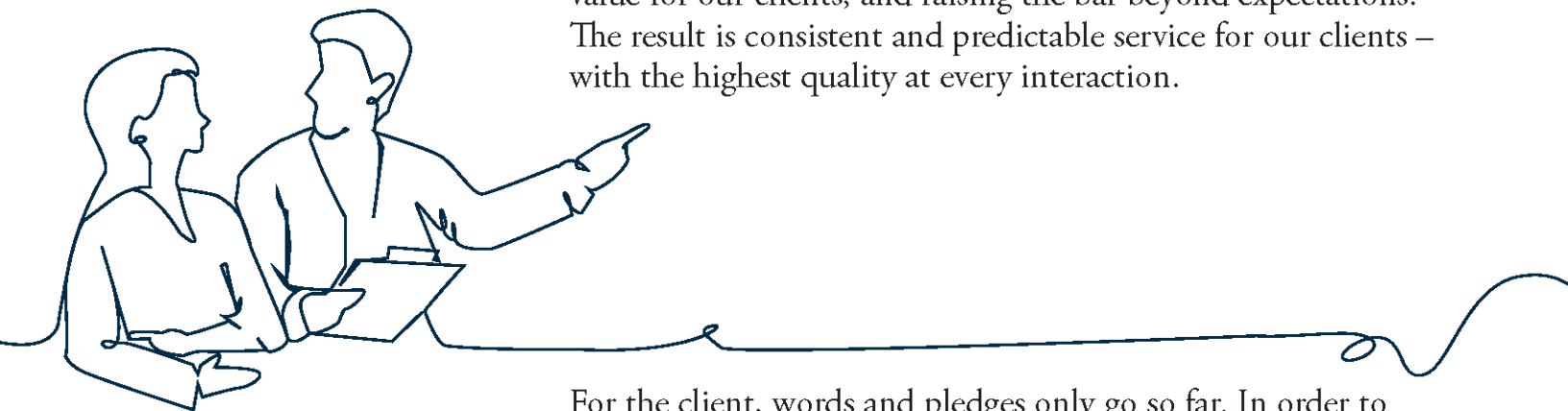
We will coordinate all loss control activities between you and the carrier. We recommend that service be provided on a quarterly basis.

Our Service Commitment

Our clients repeatedly tell us the most important thing that we can do as their broker is to protect their assets while providing a comprehensive and tailored insurance program with the most competitive terms. We also know that a critical component of every customer experience is receiving an accurate and timely response to their day to day business needs and challenges.

At Arthur J. Gallagher and Co. our goal is to provide every client with an exceptional insurance and risk management program delivered by a world-class service organization.

We're on a journey to set a new standard for service within our industry – utilizing innovative technology and tools that create value for our clients, and raising the bar beyond expectations. The result is consistent and predictable service for our clients – with the highest quality at every interaction.



For the client, words and pledges only go so far. In order to deliver on our promise, Gallagher is committed to partnering with our clients to ensure we consistently deliver the highest quality service possible:

- **Clients get what they need, when they need it** – as a result of managing our work more effectively, your needs and requests are addressed promptly and professionally at all times
- **Our service team is able to focus on you**, and the solutions needed to support your unique business needs
- **We proactively manage your renewal cycle**, delivering a predictable timeline that creates time for thorough decision-making
- **You play a role in this too** – we're asking for more information ahead, so that you receive the best outcome, every time

Market Review

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

INSURANCE COMPANY	LINE OF COVERAGE	RESPONSE	PREMIUM
Underwriters at Lloyd's London (Brit)	Package; Property, General Liability, Professional Liability	Recommended Quote	\$37,432.00
Underwriters at Lloyd's London (Brit)	Automobile	Recommended Quote	\$15,096.00
Underwriters at Lloyd's London (Brit)	Umbrella	Recommended Quote	\$7,807.00
Trident Insurance Services, LLC	Package; Property, General Liability, Professional Liability; Automobile and Umbrella	Indication (Written)*	\$65,000.00+
Liberty Mutual Insurance Company	Package; Property, General Liability, Professional Liability; Automobile and Umbrella	Declined to Quote - Pricing not Competitive	N/A
The Travelers Companies, Inc.	Package; Property, General Liability, Professional Liability; Automobile and Umbrella	Declined to Quote - Pricing not Competitive	N/A
Hartford Steam Boiler Inspection & Insurance Co.	Equipment Breakdown	commended Quote	\$3,101.00
Hanover Insurance Company	Crime	commended Quote	\$1,012.00
BCS Insurance Company	Cyber Liability	commended Quote	\$3,072.00
Illinois Public Risk Fund	Workers Compensation	Recommended Quote	\$42,315.00

*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.

Location Schedule

LINE OF COVERAGE	LOCATION ADDRESS
All lines of coverage included in this proposal	List on file with carriers as submitted by insured on 9/30/2019

Program Details

Coverage: Package - Property
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

The following is a general summary of the Insuring Agreement. Refer to actual policy form for complete terms and conditions.

Coinsurance or Agreed Amount:

DESCRIPTION	AGREED AMOUNT	COINSURANCE %
Applies	Yes	N/A

Coverage:

SUBJECT OF INSURANCE	LIMIT TYPE	AMOUNT
Buildings and Personal Property	Limit	\$24,454,355
Contractor's Equipment Scheduled	Limit	\$487,412
Contractors Equipment Unscheduled \$2,500 maximum per any one item applies	Limit	\$50,000
Special Property: Park signs & Entrance sign @ 301 Columbia Ln, Galligan Rd, Higgins Rd & Big Timer Rd.	Limit	\$63,587
Earthquake - Excludes New Madrid Region	Limit	\$5,000,000
Flood - 100 and 500 year flood plains, as defined by FEMA, are excluded	Limit	\$5,000,000
Pump and Lift Stations		Included

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Buildings and Personal Property	\$1,000
Deductible	Pump and Lift Stations	\$1,000
Deductible	Contractor's Equipment Scheduled	\$1,000
Deductible	Contractor's Equipment Unscheduled \$2,500 maximum per any one item applies	\$500
Deductible	Special Property: Park signs & Entrance sign @ 301 Columbia Ln, Galligan Rd, Higgins Rd & Big Timer Rd.	\$1,000
Deductible	Earthquake - Excludes New Madrid Region	\$50,000
Deductible	Flood - 100 and 500 year flood plains, as defined by FEMA, are excluded	\$50,000
Deductible	Automated External Defibrillator	Policy Deductible
Deductible	Collapse	Policy Deductible
Deductible	Commandeered Property of Others (Other than Automobiles)	Policy Deductible
Deductible	Crime Reward – Excluding Arson	Policy Deductible
Deductible	Debris Removal of Covered Property	Policy Deductible

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Emergency Evacuation Expense	Policy Deductible
Deductible	Emergency Real Estate Consulting Fee	Policy Deductible
Deductible	Employee Dishonesty	\$250 Deductible
Deductible	Exterior Building Glass	Policy Deductible
Deductible	Fungus", Wet Rot, Dry Rot and Bacteria – Limited Coverage	Policy Deductible
Deductible	Inventory and Appraisal Cost for Claim Preparation	Policy Deductible
Deductible	Lease Cancellation Moving Expenses	Policy Deductible
Deductible	Money and Securities	Policy Deductible
Deductible	Pollutant Clean Up and Removal	Policy Deductible
Deductible	Preservation of Property	Policy Deductible
Deductible	State Forest Fire Expense	Policy Deductible
Deductible	Water Damage, Other Liquid, Powder or Molten Material Damage	Policy Deductible
Deductible	Accounts Receivable	Policy Deductible
Deductible	Animals and Canines	Policy Deductible
Deductible	Appurtenant Buildings or Structures	Policy Deductible
Deductible	Coverage A (Undamaged)	Policy Deductible
Deductible	Coverage B (Demolition) and Coverage C (Increased Cost of Construction)	Policy Deductible
Deductible	Business Income	Policy Deductible
Deductible	Extra Expense	Policy Deductible
Deductible	Change in Temperature, Electrical Damage and Off-Premises Utility Services – Direct Damage	Policy Deductible
Deductible	Communication Towers	Policy Deductible
Deductible	Contractors' Equipment- Non-Owned	Policy Deductible
Deductible	Emergency Portable Equipment - Unscheduled	Policy Deductible
Deductible	Employees' Tools	Policy Deductible
Deductible	Fair or Exhibitions	Policy Deductible
Deductible	Fine Arts	Policy Deductible
Deductible	Footbridges and Appurtenant Structures	Policy Deductible
Deductible	Foundations of Machinery, Swimming Pools and Underground Pipes	Policy Deductible
Deductible	Golf Course Greens – Limited Perils	Policy Deductible
Deductible	Lock Replacement	\$50 Deductible
Deductible	Newly Acquired or Constructed Property	Policy Deductible
Deductible	Non-owned Detached Trailers	Policy Deductible
Deductible	Outdoor Property	Policy Deductible
Deductible	Paved Surfaces	Policy Deductible
Deductible	Personal Computers, Communication Equipment, EDP Equipment, Electronic Data or Media	Policy Deductible

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Personal Effects	Policy Deductible
Deductible	Personal Property Off-Premises or in Transit	Policy Deductible
Deductible	Recertification Expense	Policy Deductible
Deductible	Rental Expense – Contractor’s Equipment	Policy Deductible
Deductible	Retaining Walls	Policy Deductible
Deductible	Sign Coverage	Policy Deductible
Deductible	Spoilage - See Utility Service Direct Damage	Policy Deductible
Deductible	Surface Water (Locations situated in a 100 or 500 year flood plain are excluded)	Policy Deductible
Deductible	Theft Damage to Non-Owned Buildings	Policy Deductible
Deductible	Underground Sprinkler Systems	Policy Deductible
Deductible	Underground Water Seepage - Per Premise	Policy Deductible
Deductible	Unnamed Locations	Policy Deductible
Deductible	Valuable Papers and Records – Cost of Research (Other than Electronic Data) On Premises Limit and Away from Premises Limit	Policy Deductible

Additional Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
Automated External Defibrillator	Limit	\$5,000
Collapse	Extension	Limit Extended
Commandeered Property of Others (Other than Automobiles)	Limit	\$250,000
Crime Reward – Excluding Arson	Limit	\$25,000
Debris Removal of Covered Property	Limit	25% of Loss + \$25,000 Per Location
Emergency Evacuation Expense	Limit	\$25,000
Emergency Real Estate Consulting Fee	Limit	\$5,000
Employee Dishonesty	Limit	\$50,000
Exterior Building Glass	Limit	Included
Fire Department Service Charge	Limit	\$25,000
Fungus”, Wet Rot, Dry Rot and Bacteria – Limited Coverage	Limit	\$15,000
Inventory and Appraisal Cost for Claim Preparation	Limit	\$10,000
Lease Cancellation Moving Expenses	Limit	\$2,500
Money and Securities	Limit	\$25,000
Pollutant Clean Up and Removal	Limit	\$25,000
Preservation of Property	Limit	Included
State Forest Fire Expense	Limit	\$25,000
Temporary Meeting Space	Limit	\$1,000
Water Damage, Other Liquid, Powder or Molten Material Damage	Limit	Included

Additional Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
Accounts Receivable - Per Occurrence on premises/off premises	Limit	\$250,000/\$50,000
Animals and Canines - Per Animal and Per Occurrence	Limit	\$1,500/\$10,000
Appurtenant Buildings or Structures	Limit	\$10,000
Arson Reward	Limit	\$25,000
Coverage A (Undamaged)	Limit	Included
Coverage B (Demolition) and Coverage C (Increased Cost of Construction)	Limit	\$350,000
Business Income	Limit	\$100,000
Extra Expense	Limit	\$1,000,000
Business Income - Loss of Tax Revenue	Limit	\$100,000
Change in Temperature, Electrical Damage and Off-Premises Utility Services – Direct Damage	Limit	\$50,000
Communication Towers	Limit	\$100,000
Contractors' Equipment- Non-Owned - Per Item and Per Occurrence Limit	Limit	\$75,000 per item /\$250,000 per occurrence
Emergency Portable Equipment - Unscheduled	Limit	\$25,000
Employees' Tools – Per Employee and Per Occurrence Limit	Limit	\$500/\$1,500
Fair or Exhibitions	Limit	\$50,000
Fine Arts – Per Item and Per Occurrence Limit	Limit	\$5,000/\$100,000
Fire Equipment Recharge	Limit	\$25,000
Footbridges and Appurtenant Structures	Limit	\$25,000
Foundations of Machinery, Swimming Pools and Underground Pipes	Limit Extended	Limit Extended
Golf Course Greens – Limited Perils	Limit	\$100,000
Lock Replacement	Limit	\$25,000
Newly Acquired or Constructed Property – Each Building Limit/Contents Limit	Limit	\$1,000,000 each building/ \$500,000 contents
Non-owned Detached Trailers	Limit	\$5,000
Outdoor Property	Limit	\$25,000
Paved Surfaces	Limit	\$100,000
Personal Computers, Communication Equipment, EDP Equipment, Electronic Data or Media – Per Occurrence and Away from Premises	Limit	\$250,000/\$10,000
Personal Effects - Per Person/Each Location and Occurrence Limit	Limit	\$25,000 per person/each location \$50,000 occurrence limit
Personal Property Off-Premises or in Transit	Limit	\$100,000
Recertification Expense	Limit	\$5,000
Rental Expense – Contractor's Equipment	Limit	\$10,000
Retaining Walls	Limit	\$10,000

Additional Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
Sign Coverage	Limit	\$25,000
Spoilage - See Utility Service Direct Damage	Limit	\$25,000
Surface Water (Locations situated in a 100 or 500 year flood plain are excluded)	Limit	\$25,000
Theft Damage to Non-Owned Buildings	Limit	\$50,000
Underground Sprinkler Systems	Limit	Included
Underground Water Seepage - Per Premise	Limit	\$10,000
Unnamed Locations	Limit	\$250,000
Valuable Papers and Records – Cost of Research (Other than Electronic Data) On Premises Limit and Away from Premises Limit	Limit	\$250,000/\$50,000

Valuations:

DESCRIPTION	LIMITATIONS
Replacement Cost	Applies

Perils Covered:

TYPE	DESCRIPTION
Special Form Perils	Applies

Endorsements include, but are not limited to:

DESCRIPTION
Coverage Forms - MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION
Earth Movement Exclusion
Flood Exclusion
Government Action Exclusion
War Exclusion
Nuclear Hazard, Power Failure

Binding Requirements:

DESCRIPTION
Subject to Receipt of a Currently Signed, Original Application and Signed Statement of Values Prior to Inception Date.
Acceptance or Rejection of Terrorism Insurance Coverage
Fireworks are excluded until underwritten and approved. If coverage is desired, please forward a copy of the contract with the pyrotechnic and complete our loss control questionnaire. Please forward this information at least 30 days prior to the event. Each event must be separately underwritten and endorsed.

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION

Premium is combined for Property & General Liability

If not already provided, please provide the year built for all locations and square footage for at least buildings with a limit of \$500,000 or greater so that Insurance to Value Calculations can be performed if coverage is bound, or submit a recent appraisal. Also advise the date of updates to roofing, plumbing, heating and electrical systems for all buildings over 35 years old.

Premium **\$37,432.00**

ESTIMATED PROGRAM COST **\$37,432.00**

TRIA/TRIPRA PREMIUM **\$551.00**
 (+ Additional Surcharges, Taxes and Fees as applicable)

Statement of values:

LOC./BLDG.#	LOCATION ADDRESS	INSURED'S OCCUPANCY DESCRIPTION	BUILDINGS	CONTENTS	ADJ TIV
1/1	10 Silver Trail Parkway, 60136	Conservancy Lift Station	\$300,500		\$300,500
2/1	1235 Galligan Road, 60136	Elevated Tank	\$1,639,091		\$1,639,091
3/1	196 Valencia Drive, 60136	Valencia Lift Station	\$300,500		\$300,500
3/2	196 Valencia Drive, 60136	Generator	\$101,624		\$101,624
4/1	201 Raymond Drive, 60136	Barancik Lift Station	\$809,711		\$809,711
4/2	201 Raymond Drive, 60136	Generator	\$101,624		\$101,624
5/1	281 Raymond Drive, 60136	Phosphorous Removal Building	\$322,008	\$200,000	\$522,008
5/2	281 Raymond Drive, 60136	Sewer Plant	\$1,092,727	\$6,093,480	\$7,186,207
5/3	281 Raymond Drive, 60136	Kohler Generator	\$140,743		\$140,743
5/4	281 Raymond Drive, 60136	SCADA		\$70,500	\$70,500
6/1	320 Raymond Drive, 60136	Water Plant	\$546,364	\$2,731,560	\$3,277,924
6/2	320 Raymond Drive, 60136	Water Tower	\$1,639,091		\$1,639,091
6/3	320 Raymond Drive, 60136	Kohler Generator	\$101,624		\$101,624
6/4	320 Raymond Drive, 60136	Cannon Copier		\$17,340	\$17,340
6/5	320 Raymond Drive, 60136	Well #3	\$835,936		\$835,936
6/6	320 Raymond Drive, 60136	Water Treatment-Additional Equipmt for Barium Removal		\$700,000	\$700,000
7/1	598 Sleeping Bear, 60136	Water Tower	\$1,102,562	\$22,063	\$1,124,625
8/1	73 Industrial Drive, 60136	Public Works Building (New)	\$1,083,107	\$105,060	\$1,188,167
8/2	73 Industrial Drive, 60136	Salt Bin	\$182,485	\$63,036	\$245,521
9/1	84 Tower Hill, 60136	Public Works Building (Old)	\$156,350	\$52,530	\$208,880
10/1	86 Railroad St - Bld 6, 60136	Police Department	\$625,262	\$78,795	\$704,057
11/1	87 Galligan Road, 60136	Village Hall	\$957,643	\$105,060	\$1,062,703
12/1	95 Meadows Drive, 60136	Timber Trails #9 Lift Station	\$300,500		\$300,500

13/1	16 Higgins Road, 60136	Joseph Waitcus Park Pavilion	\$27,315		\$27,315
13/2	16 Higgins Road, 60136	Waitcus Park Sign		\$8,300	\$8,300
14/1	Indian Trails, 60136	Street Liaghs	\$43,709		\$43,709
15/1	Old Town, 60136	Street Lights	\$54,636		\$54,636
16/1	Timber Trails, 60136	Street Lights	\$269,904		\$269,904
17/1	562 Tyrelle Road, 60136	Well #4	\$835,936		\$835,936
18/1	355 tyrelle Road, 60136	Memorial Park Pavillion	\$29,584		\$29,584
18/2	355 tyrelle Road, 60136	Memorial Park Sign		\$8,300	\$8,300
19/1	280 Town Center blvd, 60136	Gilberts Town Square Gazebo	\$39,227		\$39,227
20/1	301 Columbia Lane, 60136	Splash Pad	\$345,000		\$345,000
20/2	301 Columbia Lane, 60136	Town Center Park Pailion	\$46,470		\$46,470
20/3	301 Columbia Lane, 60136	Concession Stand	\$144,100		\$144,100
21/1	Town Center Unit 18, 60136	Street Lights	\$22,998		\$22,998
Grand Total			\$14,198,331	\$10,256,024	\$24,454,355

Client Signature _____

Date _____

Equipment Schedule:

Year	Make	Model	Cost
	UNKNOWN	RADIOS / MOBILE EQUIPMENT	\$25,000
	UNKNOWN	POST HOLE DIGGER/BITS - SKOSTR	\$3,000
	HONDA	TRASH PUMP / HOSE 3" (2)	\$4,500
	HONDA	TRASH PUMP / HOSE 4"	\$2,100
	BONNELL	SNOW PLOW - 10'	\$8,500
	BONNELL	SALT SPREADER	\$4,000
	UNKNOWN	BUCKET LIFT ON G4	\$40,000
	LISCO	SPRAYER - 300 GAL	\$4,200
	UNKNOWN	PLOW - 8"	\$3,623
	UNKNOWN	GILL	\$1,600
	WESTERN	PLOW 8" EXTRA	\$3,800
	COLEMAN	POWERMATE	\$1,045
	MONROE	SALT SPREADER	\$3,000
	WESTERN	PLOW - 8"	\$3,800
	WESTERN	PLOW - 8"	\$3,800
	NORTH STAR	FERTILIZER SPREADER	\$600
	WESTERN	PLOW - 9"	\$4,500
	HENDERSON	SPREADER	\$4,000

	MYERS	JETTER	\$100,000
1999	NEW HOLLAND	SKID LOADER	\$3,800
2010	DIXIE	DIXIE CHOPPER	\$8,900
	LANDA, INC	PRESSURE WASHER/TRAILER	\$3,000
2012	CASE	COMBINATION BACKHOE	\$96,605
	NEW HOLLAND	TN70 TRACTOR W/MOWER	\$60,400
	SPEED KING	BELT ELEVATOR	\$1,500
2007	BONNELL	SALT SPREADER	\$4,000
2011	ROTARY	18000 LB LIFT	\$14,000
2016	HUSTLER	MOWER	\$9,865
	WOODS TURF	BATWING MOWER	\$7,500
	WOODS HS150	DITCH MOWER	\$2,500
	VERMEER	BRUSH CHIPPER	\$5,564
	BONNELL	10' SNOW PLOW	\$7,460
	BONNELL	10' SNOW PLOW	\$7,460
	BONNELL	SALT SPREADER	\$3,640
	BONNELL	SALT SPREADER	\$3,640
	BONNELL	11' SNOW PLOW	\$11,808
	Honda	Tsurumi Portable Generator 4500 Watt	\$1,560
		Gas Saw Package	\$2,300
	Werner	8' fiberglass man hole ladder	\$189
2018	Wells Cargo	Water Main Break TrailerEW2024	\$10,653

Contractor's Equipment \$487,412

Special Property	
Memorial Park Sign	8,300
Town Center Park Sign	16,987
Waitcus Park Sign	8,300
Entrance sign @ Galligan Rd	10,000
Entrance Sign at Higgins Rd	10,000
Entrance Sign at Big Timber Rd	10,000

Special Property total \$ 63,587

Coverage: Package - General Liability
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
General Liability	Occurrence	Not Applicable	Not Applicable
Law Enforcement Liability	Occurrence	Not Applicable	Not Applicable
Public Officials Liability	Claims Made	Full Prior Acts	Full Prior Acts
Employment Practices Liability	Claims Made	Full Prior Acts	Full Prior Acts

Defense Limitations:

COVERAGE TYPE	DEFENSE COST DOLLAR LIMIT	DEFENSE COST TYPE / COMMENTS
General Liability , Law Enforcement Liability , Public Officials Liability , Employment Practices Liability	Applies	Other / Defense costs are in addition to the Limit of Liability

Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
General Liability :		
Each Occurrence Limit	Limit	\$1,000,000
Annual Aggregate	Limit	\$2,000,000
Law Enforcement Liability :		
Each Person Limit	Limit	\$1,000,000
Each Wrongful Act Limit	Limit	\$1,000,000
Annual Aggregate	Limit	\$1,000,000
Public Officials Liability :		
Each Wrongful Act Limit	Limit	\$1,000,000
Annual Aggregate	Limit	\$1,000,000
Employment Practices Liability :		
Each Wrongful Act Limit	Limit	\$1,000,000
Annual Aggregate	Limit	\$1,000,000
General Liability :		
Bodily Injury and Property Damage	Limit	\$1,000,000
Personal and Advertising Injury	Limit	\$1,000,000
Employee Benefits Injury	Limit	\$1,000,000
Specific Perils - Damage to Premises Rented to You	Limit	\$1,000,000
Medical Payments	Limit	\$5,000
General Aggregate	Limit	\$2,000,000
Products-Completed Operations Aggregate	Limit	\$2,000,000

DESCRIPTION	LIMIT TYPE	AMOUNT
Sexual Molestation	Limit	\$250,000
Sexual Molestation	Limit	\$500,000
Failure to Supply - Utility Operations (other than sudden & accidental)	Limit	\$1,000,000
Law Enforcement Liability :		
Per Officer	Limit	\$50,000
Per Policy Period	Limit	\$100,000
Non-Monetary Defense :		
Per Claim	Limit	\$10,000
Per Policy Period	Limit	\$50,000
Public Officials Liability :		
Key Individual Replacement Expenses	Limit	\$25,000
Terrorist Travel Reimbursement	Limit	\$5,000
Identity Theft Protection	Limit	\$5,000
Employment Practices Liability :		
Per Claim	Limit	\$10,000
Per Policy Period	Limit	\$50,000
Workplace Violence Counseling - Per Policy Period	Limit	\$5,000
Back-Wages No Prior Acts Applies	Limit	\$50,000

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Law Enforcement Liability - Each Person Limit	\$2,500
Deductible	Public Officials Liability - Each Wrongful Act	\$2,500
Deductible	Employment Practices Liability - Each Wrongful Act	\$2,500
Deductible	GL - Personal and Advertising Injury , Specific Perils - Damage to Premises Rented to You , Medical Payments , General Aggregate , Products-Completed Operations Aggregate , - Each	Included
Deductible	GL - Sexual Molestation - Per Occurrence & Annual Aggregate , Failure to Supply - Utility Operations (other than sudden & accidental)	Included
Deductible	Law Enforcement - Each Wrongful Act , Annual Aggregate , Non-Monetary Defense - Per Claim & Per Policy Period - Each	Included
Deductible	Public Officials - Annual Aggregate	Included
Deductible	Employment Practices Liability - Annual Aggregate , Non-Monetary Defense - Per Claim & Per Policy Period	Included
Deductible	Employment Practices Liability - Back-Wages No Prior Acts Applies - Per Claim	\$5,000

Claims Made Coverage:

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.

Definition of Claim:

DESCRIPTION
Refer to attached policy form

Incident or Claim Reporting Provision:

REPORTING CONDITION TYPE	DESCRIPTION
Refer to attached policy form	

Additional Coverage:

DESCRIPTION	AMOUNT
Owned watercraft	up to 50 feet in length
Expanded Host Liquor Liability	Included

Endorsements include, but are not limited to:

DESCRIPTION
MUNI-BISI-PF-001 (03-13) Coverage Forms

Exclusions include, but are not limited to:

COVERAGE TYPE	DESCRIPTION
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

Binding Requirements:

DESCRIPTION

- Policyholder Disclosure Notice of Terrorism Insurance Coverage. If Coverage is Rejected, The Signed Form Must be Received by Underwriters Prior to Inception or the Additional Premium Will be Charged and the Policy Issued Including Coverage.

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION

Premium is combined for Property & General Liability and is shown under Property

Premium

Included

ESTIMATED PROGRAM COST

TRIA/TRIPRA PREMIUM
(+ Additional Surcharges, Taxes and Fees as applicable)

Included

Coverage: Automobile
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Coverage:

DESCRIPTION	AMOUNT	COVERED AUTOS
Liability Combined Single Limit	\$1,000,000	1
Medical Expense (Included in Fleet Coverage Endorsement)	\$5,000	2
Uninsured Motorist	\$250,000	6
Underinsured Motorist	\$250,000	6
Physical Damage Coverage: Comprehensive	ACV, cost to repair or replace, or stated amount, whichever is less	7, 8
Physical Damage Coverage: Collision	ACV, cost to repair or replace, or stated amount, whichever is less	7, 8
Excess Hired	Included	
Non-owned Liability	Included	
Hired Car Physical Damage	Included in Fleet Cover	

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Physical Damage Coverage: Comprehensive	\$1,000
Deductible	Physical Damage Coverage: Collision	\$1,000
Deductible	Medical Expense (Included in Fleet Coverage Endorsement)	Included
Deductible	Excess Hired	Included
Deductible	Non-owned Liability	Included

Covered Autos:

SYMBOL	SYMBOL NAME	DESCRIPTION OF COVERED DESIGNATION SYMBOLS
1	Any Auto	Can only be used for Liability insurance. Its use provides coverage for any auto with which the insured has contact, including owned and non-owned, hired vehicles, and newly acquired vehicles. It includes coverage for non-owned auto, no-fault insurance, uninsured motorists, or physical damage insurance
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.

Covered Autos:

SYMBOL	SYMBOL NAME	DESCRIPTION OF COVERED DESIGNATION SYMBOLS
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.
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.

Endorsements include, but are not limited to:

DESCRIPTION
Fleet Coverage Endorsement
Emergency Response Provider Endorsement
Coverage Forms - MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION
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

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Limited Mid-Term Adjustments - All Vehicles with Original Cost New of \$750,000 or Greater - All Auto Changes Adding or Deleting 10 or More Vehicles at any One Time Replacement Cost Coverage for Emergency Rescue Vehicles

Auto Disclaimer:

Commercial Auto policies utilize a set of coverage symbols to stipulate a category of covered autos. One or more symbols are assigned to each coverage purchased indicating which autos that coverage applies to. Please refer to your policy and make certain that you read and understand the various auto symbols and associated descriptions. Specific symbols may apply to either a particular kind of vehicle or the vehicle's ownership status. The symbols could also differ depending upon whether the coverage is for liability or physical damage. Also, in certain circumstances, an insurance company may agree to provide coverage for an auto scenario that is not described in the auto symbols. When this occurs, a unique symbol and related description is used. If you have any questions regarding the auto symbols or associated descriptions contained in your policy, please contact us.

Premium	\$15,096.00
ESTIMATED PROGRAM COST	\$15,096.00

Auditable Exposures:

DESCRIPTION	EXPOSURE
Total Number of Vehicles	28

No.	Year	Make	Model	Vin No.	Class Code	Cost New	Comp. Deductible	Collision Deductible
1	1995	Utility Trailer	Goldstar	TD49	69499	\$5,000	\$500	\$500
2	2007	Ford	Ranger	7894	7398	\$25,000	\$500	\$500
3	2008	Ford	Ranger - Xcab	929	7398	\$25,000	\$500	\$500
4	2003	Dodge	Durango	8576	7911	\$35,000	\$500	\$500
5	2011	Ford	Crown Victoria	156	7911	\$35,000	\$500	\$500
6	2006	Ford	Crown Victoria	6226	7911	\$35,000	\$500	\$500
7	2006	Ford	Crown Victoria	6227	7398	\$30,000	\$500	\$500
8	2009	Chevrolet	Impala	7423	7911	\$35,000	\$500	\$500
9	2015	Ford	Explorer	6669	7911	\$35,000	\$500	\$500
10	1987	Ford	F350 Truck	2526	1499	\$30,000	\$500	\$500
11	1989	Chevrolet	1T Truck	818	1499	\$35,000	\$500	\$500
12	2005	Ford	F350 Truck	6745	1499	\$30,000	\$500	\$500
13	2005	Ford	F550 Dump Truck	7021	21499	\$57,000	\$500	\$500
14	2006	Truck	International	127	21499	\$46,000	\$500	\$500
15	2010	Trailer	Unknown	unknown	69499	\$5,000	\$500	\$500

16	2009	Ford	F550 Truck	8004	21499	\$40,000	\$500	\$500
17	2009	Ford	F550 Truck	8003	21499	\$40,000	\$500	\$500
18	2012	Ford	Expedition	3006	7911	\$35,000	\$500	\$500
19	2013	Ford	Fusion	8099	7398	\$19,971	\$500	\$500
20	2013	Ford	Interceptor	2142	7911	\$35,000	\$500	\$500
21	2015	Ford	Explorer	1529	7911	\$35,000	\$500	\$500
22	2015	Ford	Taurus	2073	7911	\$35,000	\$500	\$500
23	2015	Chevrolet	Colorado	8934	1499	\$23,356	\$500	\$500
24	2015	Ford	F-350	525	1499	\$40,436	\$500	\$500
25	2016	Ford	F-550	6926	21499	\$57,362	\$500	\$500
26	2017	Ford	Utility Police Interceptor	7257	7911	\$35,000	\$500	\$500
27	2017	Chevrolet	Silverado	1GCVKNEC7H Z349034	7398	\$30,023	\$500	\$500
28	2017	Ford	Explorer	1FM5K8AR8H GD59042	7911	\$35,000	\$500	\$500
29	2018	Wells Fargo	Utility Trailer	575200J2XJH 357987	21499	9,153.00	\$500	\$500

Total \$933,301

Coverage: Umbrella
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Umbrella	Occurrence	Not Applicable	Not Applicable
Umbrella	Claims Made	Full Prior Acts	Full Prior Acts

Coverage:

DESCRIPTION	AMOUNT
Each Occurrence Limit	\$7,000,000
Annual Aggregate	\$7,000,000

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Retention	Umbrella - Coverage B - Each Occurrence Limit	\$10,000

Underlying Policies:

COVERAGE	DESCRIPTION	LIMIT	CARRIER NAME	EFFECTIVE DATE	EXPIRATION DATE
General Liability	Occurrence / Aggregate	\$1,000,000 \$2,000,000	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Law Enforcement Liability	Occurrence / Aggregate	\$1,000,000 \$1,000,000	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Public Officials	Occurrence / Aggregate	\$1,000,000 \$1,000,000	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Employment Practices Liability	Occurrence / Aggregate	\$1,000,000 \$1,000,000	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Auto Liability	Combined Single Limit	\$1,000,000	Underwriters at Lloyd's London	12/31/2019	12/31/2020

Endorsements include, but are not limited to:

DESCRIPTION
Coverage Forms - MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION
Workers' Compensation, Auto No Fault, Uninsured/ Underinsured Motorists, Disability, and Unemployment Compensation Laws
Pollution (Hostile Fire Exception)
Asbestos

Exclusions include, but are not limited to:

DESCRIPTION
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

Claims Made Coverage:

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.

Definition of Claim:

DESCRIPTION
Refer to attached policy form

Incident or Claim Reporting Provision:

REPORTING CONDITION TYPE	DESCRIPTION
Refer to attached policy form	

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Special Note Regarding Renewal of the Umbrella Policy: Under the General Liability, Occurrence Coverage Part There is a \$250,000 Sublimit for Sexual Molestation. The Umbrella Policy Excess Limits are not Triggered by the Exhaustion of the Underlying Sublimit for Sexual Molestation, Except when Specifically Approved by Your Underwriter and a Minimum Underlying Limit of \$1,000,000 is Purchased. In Order to Clarify the Intent Specific to the Sublimit Within the Underlying General Liability Policy, A Sexual Molestation Exclusion Will be Attached to the Umbrella Policy at Renewal.

Premium	\$7,807.00
ESTIMATED PROGRAM COST	\$7,807.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	\$195.00

Coverage: Equipment Breakdown
Carrier: Hartford Steam Boiler Inspection & Insurance Co.
Policy Period: 12/31/2019 to 12/31/2020

The following is a general summary of the Insuring Agreement. Refer to actual policy form for complete terms and conditions.

Coinsurance or Agreed Amount:

DESCRIPTION	AGREED AMOUNT	COINSURANCE %
Business Income Coinsurance : Waived	N/A	N/A

Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
Coverage Applies To - All Locations :		-
Equipment Breakdown Limit	Limit	\$50,000,000
Property Damage		Included
Business Income		Included
Extra Expense		Included

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Combined, All Coverages	\$1,000
Deductible	Interruption of Service Waiting Period	4 Hours

Additional Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
Covered Cause of Loss :		-
-Accident		Included
-Electronic Circuitry Impairment		Included
Coverage Applies To - All Locations :		-
-Civil Authority		Included
-Contingent Business Income	Limit	\$2,500,000
-Data Restoration	Limit	\$2,500,000
-Demolition	Limit	\$2,500,000
-Expediting Expenses		Included
-Green	Limit	\$25,000
-Hazardous Substances	Limit	\$2,500,000
-Mold	Limit	\$25,000
-Newly Acquired Locations		Included

Additional Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
-Off Premises Equipment Breakdown	Limit	\$2,500,000
-Ordinance or Law	Limit	\$2,500,000
-Perishable Goods		Included
-Public Relations	Limit	\$5,000
-Service Interruption		Included
Newly Acquired Locations		365 Days
Extended Period of Restoration		365 Days
Miscellaneous Unnamed Locations Limit (Applies to locations you own or lease that are not listed on the Schedule of Locations.)	Limit	\$1,000,000

Endorsements include, but are not limited to:

DESCRIPTION
HSB TechAdvantage™ Equipment Breakdown Coverage Form

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
2019 Values : \$24,498,610
Notice of Cancellation other than non-payment : 90 Days
Omnibus Location Wording - See Endorsement
The words 'on the same site' are deleted from Valuation a.(2).
Covered Services as defined under "interruption of service" includes "cloud computing service".

Premium	\$3,101.00
ESTIMATED PROGRAM COST	\$3,101.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	\$0.00

Coverage: Crime
Carrier: Hanover Insurance Company
Policy Period: 12/31/2019 to 12/31/2022

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Crime	Claims Made	Not Applicable	Not Applicable

Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
1. Employee Theft - Per Loss	Limit	\$500,000
3. Forgery Or Alteration	Limit	\$100,000
4. Inside The Premises - Theft of Money And Securities	Limit	\$100,000
5. Inside The Premises - Robbery Or Safe Burglary of Other Property	Limit	\$100,000
6. Outside The Premises	Limit	\$100,000
7. Computer Fraud	Limit	\$100,000
8. Funds Transfer Fraud	Limit	\$100,000
9. Money Orders And Counterfeit Money	Limit	\$10,000

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	1. Employee Theft - Per Loss	\$2,500
Deductible	3. Forgery Or Alteration	\$1,000
Deductible	4. Inside The Premises - Theft of Money And Securities	\$1,000
Deductible	5. Inside The Premises - Robbery Or Safe Burglary of Other Property	\$1,000
Deductible	6. Outside The Premises	\$1,000
Deductible	7. Computer Fraud	\$1,000
Deductible	8. Funds Transfer Fraud	\$1,000
Deductible	9. Money Orders And Counterfeit Money	\$250
Deductible	Add Faithful Performance of Duty Coverage for Government Employees	\$2,500
Deductible	Include Expenses Incurred to Establish Amount of Covered Loss	\$5,000
Deductible	Funds Transfer - False Pretenses Coverage	\$5,000

Additional Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
Add Faithful Performance of Duty Coverage for Government Employees	Limit	\$500,000
Funds Transfer - False Pretenses Coverage	Limit	\$100,000

Endorsements include, but are not limited to:

DESCRIPTION
Government Crime Policy - CR 00 26 05 06
Include Specified Non-compensated Officers as Employees - CR 25 08 08 07
Include Treasurers or Tax Collectors as Employees - CR 25 12 08 07
Include Chairperson and Members of Specified Committees as Employees - CR 25 06 08 07
Add Faithful Performance of Duty Coverage for Government Employees - CR 25 19 05 06
Include Expenses Incurred to Establish Amount of Covered Loss - CR 25 40 08 07
Delete Employee Exclusions - 181-1515 03/17
Crime Advantage - 181-1640-G 03/17
Amend Computer Fraud Insuring Agreement - 181-1661 03/16
Funds Transfer - False Pretenses Coverage - 181-1663 09/18

Exclusions include, but are not limited to:

DESCRIPTION
Third Party Employee Dishonesty
Government Action Exclusion
Accounting or Arithmetic Errors
Voluntary Parting of Property
Loss in which the existence of such loss is only proved by a profit and loss comparison or inventory records
Any theft or criminal act committed by a partner of the insured
Employee Dishonesty (does not apply to Employee Theft Coverage)

Binding Requirements:

DESCRIPTION
- Signed and dated version of the Hanover Crime application
- Confirmation that the insured is willing to fully separate their banking duties: Application shows village as not having a full separation of banking duties:
A. Does the Applicant prohibit employees who have the responsibility to reconcile monthly bank statements from also:
Signing checks? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Handling deposits? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Making withdrawals? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Village needs to confirm they are willing to fully separate their banking duties, so that the above questions are answered as "yes", that they prohibit those who reconcile the bank statements from doing any other banking functions.

Premium Annual for 3 years	\$1,012.00
ESTIMATED PROGRAM COST	\$1,012.00

Coverage: Cyber Liability
Carrier: BCS Insurance Company
Policy Period: 12/31/2019 to 12/31/2020
Form Number: 94.200 (06/17)

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Cyber Liability	Claims Made	Full Prior Acts	Full Prior Acts

Defense Limitations:

COVERAGE TYPE	DEFENSE COST DOLLAR LIMIT	DEFENSE LIMIT	DEFENSE COST TYPE / COMMENTS
Cyber Liability	Applies	Included	Other / Included Within the Limits

Coverage:

DESCRIPTION	LIMIT TYPE	AMOUNT
A. Aggregate Limit of Liability	Limit	\$1,000,000
B. Sublimit of Liability for Individual Coverage(s) Purchased	Sublimit	\$1,000,000
Per Claim Sublimit of Liability Includes Claim Expenses:		
A. Privacy Liability (including Employee Privacy)	Sublimit	\$1,000,000
B. Privacy Regulatory Claims Coverage	Sublimit	\$1,000,000
C. Security Breach Response Coverage	Sublimit	\$1,000,000
D. Security Liability	Sublimit	\$1,000,000
E. Multimedia Liability	Sublimit	\$1,000,000
F. Cyber Extortion	Sublimit	\$1,000,000
G. Business Income and Digital Asset Restoration	Sublimit	\$1,000,000
H. PCI DSS Assessment	Sublimit	\$1,000,000
I. Electronic Fraud		
1. Telephone Hacking	Sublimit	\$100,000
2. Funds Transfer Fraud	Sublimit	\$100,000
Aggregate Sublimit Of Liability:		
A. Privacy Liability (including Employee Privacy)	Sublimit	\$1,000,000
B. Privacy Regulatory Claims Coverage	Sublimit	\$1,000,000
C. Security Breach Response Coverage	Sublimit	\$1,000,000
D. Security Liability	Sublimit	\$1,000,000
E. Multimedia Liability	Sublimit	\$1,000,000
F. Cyber Extortion	Sublimit	\$1,000,000
G. Business Income and Digital Asset Restoration	Sublimit	\$1,000,000
H. PCI DSS Assessment	Sublimit	\$1,000,000

DESCRIPTION	LIMIT TYPE	AMOUNT
1. Telephone Hacking	Sublimit	\$100,000
2. Funds Transfer Fraud	Sublimit	\$100,000

Deductibles / Self Insured Retention

TYPE	COVERAGE	AMOUNT
Retention	A. Privacy Liability (including Employee Privacy) - Each Claim	\$2,500
Retention	B. Privacy Regulatory Claims Coverage - Each Claim	\$2,500
Retention	C. Security Breach Response Coverage - Each Claim	\$2,500
Retention	D. Security Liability - Each Claim	\$2,500
Retention	E. Multimedia Liability - Each Claim	\$2,500
Retention	F. Cyber Extortion - Each Claim	\$2,500
Retention	G. Business Income and Digital Asset Restoration - Each Claim	\$2,500 / 12 Hours Waiting Period
Retention	H. PCI DSS Assessment - Each Claim	\$2,500
Retention	1. Telephone Hacking - Each Claim	\$2,500
Retention	2. Funds Transfer Fraud - Each Claim	\$2,500

Claims Made Coverage:

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.

Definition of Claim:

DESCRIPTION
<p>“Claim” means:</p> <ol style="list-style-type: none"> 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. Solely with respect to Coverage B., a “Regulatory Claim” made against “You”; or 4. Solely with respect to Coverage H., a “PCI DSS Assessment”. <p>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</p>

Incident or Claim Reporting Provision:

REPORTING CONDITION TYPE	DESCRIPTION
Refer to attached policy form	

Endorsements include, but are not limited to:

DESCRIPTION
Cyber and Privacy Liability Insurance Policy - 94.111 (06/18)
Cyber and Privacy Liability Policy Form - 94.200 (06/17)
Cyber Deception Endorsement
Breach Response Team Endorsement - 94.805 (06/17)
Illinois Amendatory - 94.801 (06/17)
Coverage Enhancements Endorsement - 94.527 (06/18)
FTF Coverage Endorsement - 94.528 (06/18)
Coverage for Certified Acts of Terrorism (Included only if Terrorism coverage is elected at 1% additional premium) - 94.551 (01 15)
War and Terrorism Endorsement - 94.552 IL (04 15)
IL Notice - BCSI-X010 IL (01 15)

Exclusions include, but are not limited to:

DESCRIPTION
Nuclear Incident Exclusion - 94.102 (01 15)
Radioactive Contamination Exclusion - 94.103 (01 15)

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Territorial Limit: Worldwide
Total premium includes Cyber Deception of \$450

Premium	\$3,072.00
ESTIMATED PROGRAM COST	\$3,072.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	\$31.00

Coverage: Workers Compensation
Carrier: Illinois Public Risk Fund
Policy Period: 1/1/2020 to 1/1/2021

Coverage:

DESCRIPTION	AMOUNT	BASIS
Coverage A - Workers' Compensation	\$0 / Statutory	
Employers' Liability Limits: Bodily Injury by Accident	\$3,000,000	Each Accident
Employers' Liability Limits: Bodily Injury by Disease	\$3,000,000	Per Employee
Employers' Liability Limits: Bodily Injury by Disease	\$3,000,000	Policy Limit

States:

DESCRIPTION	STATE
States Covered:	IL
States Excluded:	OH, ND, WA, WY

Endorsements include, but are not limited to:

DESCRIPTION
Broad Form All States Except Monopolistic (ND, OH, WA, WY)
Stop Gap Coverage

Exclusions include, but are not limited to:

DESCRIPTION
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

Premium	\$41,083.00
Program Fee	\$1,232.00
ESTIMATED PROGRAM COST	\$42,315.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	INCLUDED

Auditable Exposures:

STATE	CLASS CODE	DESCRIPTION	EXPOSURE	RATE PER \$100
IL	5506	Street Maintenance	161,627	7.648
IL	7520	Water Works	150,437	2.986
IL	7580	Sewage Disposal	150,437	2.867
IL	7720	Policeman	844,165	1.940
IL	8810	Clerical	355,301	.119
IL	9410	Municipal Employees	80,704	3.862

Workers Compensation Payroll & Rate Comparison:

STATE	CLASS CODE	DESCRIPTION	2019-2020 PAYROLL	2019-2020 RATE PER \$100	2020-2021 PAYROLL	2020-2021 RATE PER \$100
IL	7580	Sewage Disposal	\$124,750	2.951	\$150,437	2.876
IL	7520	Waterworks	\$124,750	3.074	\$150,437	2.986
IL	5506	Street Maintenance	\$150,921	7.872	\$161,627	7.648
IL	8810	Clerical	\$418,850	0.123	\$355,301	0.119
IL	7720	Policemen	\$864,000	1.996	\$844,165	1.940
IL	9410	Municipal Employees	\$89,507	3.965	\$80,704	3.862
Total Payroll			\$1,772,778		\$1,742,671	

Exposure & Premium Comparison:

<i>Exposure</i>	<i>2018-2019</i>	<i>2019-2020</i>	<i>Change %</i>
Property Values	\$24,454,355	\$24,454,355	0.00%
Inland Marine	\$534,724	\$534,724	0.00%
Vehicle Count	30	29	-3.33%
Vehicle Value	\$911,148	\$933,301	2.43%
Operating Expense	\$2,898,890	\$1,477,056	-49.05%
Payroll	\$1,772,778	\$1,742,671	-1.70%
Employee Count	25	32	28.00%

<i>Line of Coverage</i>	<i>Premium 2018-2019</i>	<i>Premium 2019-2020</i>	<i>Change %</i>
Package	\$34,992	\$37,432	6.97%
Automobile	\$15,359	\$15,096	-1.71%
Umbrella	\$6,999	\$7,807	11.54%
Boiler & Machinery	\$2,920	\$3,101	6.20%
crime	\$1,012	\$1,012	0.00%
Cyber Liability	\$2,268	\$3,072	35.45%
WC	\$41,936	\$42,315	0.90%
Total	\$105,486	\$109,835	4.12%



**ILLINOIS PUBLIC RISK FUND
GRANT PROGRAM**

VILLAGE OF GILBERTS

the Illinois Public Risk Fund has reserved

\$4,157

Congratulations!

Your organization has qualified for a Preferred Loss Ratio Grant of \$1,393 which is included in the above amount.

Please visit www.iprf.com for additional information and the Grant Application. **Grant deadline is December 1, 2020.**

(subject to the program terms and conditions.)

Premium Summary

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

LINE OF COVERAGE		EXPIRING PROGRAM		PROPOSED PROGRAM	
		CARRIER	EXPIRING COST	CARRIER	ESTIMATED COST
Package- Property, General Liability, Law enforcement Liability, Public Official Liability,& EPLI	Estimated Cost	Underwriters at Lloyd's London (Brit)	\$34,992.00	Underwriters at Lloyd's London (Brit)	37,432.00
	TRIA Premium		\$534.00		\$579.00
Equipment Breakdown	Estimated Cost	Hartford Steam Boiler Inspection & Insurance Co. (Munich Re America Corporation Group)	\$2,920.00	Hartford Steam Boiler Inspection & Insurance Co. (Munich Re America Corporation Group)	\$3,101.00
Automobile	Estimated Cost	Underwriters at Lloyd's London (Brit)	\$15,359.00	Underwriters at Lloyd's London (Brit)	\$15,096.00
Umbrella	Estimated Cost	Underwriters at Lloyd's London (Brit)	\$6,999.00	Underwriters at Lloyd's London (Brit)	\$7,807.00
	TRIA Premium		\$175.00		\$203.00
Crime	Estimated Cost	Hanover Insurance Company	\$1,012.00	Hanover Insurance Company	\$1,012.00
	TRIA Premium				
Cyber Liability	Estimated Cost	BCS Insurance Company	\$2,268.00	BCS Insurance Company	\$3,072.00
	TRIA Premium		\$27.00		\$31.00
Workers Compensation	Premium	Illinois Public Risk Fund	\$40,715.00	Illinois Public Risk Fund	\$41,083.00
	Fee		\$1,221.00		\$1,232.00
	Estimated Cost		\$41,936.00		\$42,315.00
	TRIA Premium	Included			
Total Estimated Program Cost			\$105,486.00		\$109,835.00

Quote from **Underwriters at Lloyd's London (Underwriters at Lloyd's London)** is valid until **12/31/2019**
Quote from **Hanover Insurance Company (Hanover Insurance Companies)** is valid until **1/10/2020**
Quote from **Underwriters at Lloyd's London (Underwriters at Lloyd's London)** is valid until **12/31/2019**
Quote from **BCS Insurance Company (BCS Insurance Company)** is valid until **12/31/2019**
Quote from **Underwriters at Lloyd's London (Underwriters at Lloyd's London)** is valid until **12/31/2019**
Quote from **Hartford Steam Boiler Inspection & Insurance Co. (Munich Re America Corporation Group)** is valid until **12/31/2019**
Quote from **Illinois Public Risk Fund (Illinois Public Risk Fund)** is valid until **1/1/2020**

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

- Package**
- Equipment Breakdown**
- Automobile**
- Umbrella**
- Crime**
- 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.

Payment Plans

CARRIER	LINE OF COVERAGE	PAYMENT SCHEDULE	PAYMENT METHOD
Underwriters at Lloyd's London (Brit)	Package	Payment due in full within 30 days of binding	Agency Bill
Hartford Steam Boiler Inspection & Insurance Co. (Munich Re America Corporation Group)	Equipment Breakdown	Payment due in full within 30 days of binding	Agency Bill
Underwriters at Lloyd's London (Brit)	Automobile	Payment due in full within 30 days of binding	Agency Bill
Underwriters at Lloyd's London (Brit)	Umbrella	Payment due in full within 30 days of binding	Agency Bill
Hanover Insurance Company	Crime	Payment due in full within 30 days of binding	Agency Bill
BCS Insurance Company	Cyber Liability	Payment due in full within 30 days of binding	Agency Bill
Illinois Public Risk Fund (Illinois Public Risk Fund)	Workers Compensation	4 Equal Quarterly Installments	Direct Bill

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.

In the event you wish to register a formal complaint regarding compensation Gallagher receives from insurers or third-parties, please contact Gallagher via e-mail at Compensation_Complaints@ajg.com or by regular mail at:

Chief Compliance Officer
Gallagher Global Brokerage
Arthur J. Gallagher & Co.
2850 Golf Rd.
Rolling Meadows, IL 60008

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.

The TRIPRA program increases the amount needed in total losses by \$20 million each calendar year before the TRIPRA program responds from the 2015 trigger of \$100 million to \$200 million by the year 2020.

TRIPRA is set to expire on December 31, 2020. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2020. 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.

Carrier Ratings and Admitted Status

PROPOSED INSURANCE COMPANIES	A.M. BEST'S RATING & FINANCIAL SIZE CATEGORY *	ADMITTED/NON-ADMITTED **
BCS Insurance Company	A- VIII	Admitted
Hanover Insurance Company	A XV	Admitted
Hartford Steam Boiler Inspection & Insurance Co.	A++ X	Admitted
Illinois Public Risk Fund (1)	Not Rated (1)	Admitted
Underwriters at Lloyd's London	A XV	Non-Admitted

*Gallagher companies use A.M. 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 to public entities in Illinois. Reinsurance is provided by Safety National Casualty Corporation, which is rated A+ XII by A.M Best.

Client Signature Requirements

Coverages for Consideration

Overview

- A proposal for any of the coverages can be provided.
- The recommendations and considerations summarized in this section are not intended to identify all exposures.
- Since Gallagher does not handle your complete insurance program, these recommendations only reflect items within our scope of responsibility.

Umbrella

- Increased Limits

Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 11/15/2019, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

COVERAGE/CARRIER	
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Package
	Underwriters at Lloyd's London
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA</i>
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Equipment Breakdown
	Hartford Steam Boiler Inspection & Insurance Co.
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA</i>
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Automobile
	Underwriters at Lloyd's London
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Umbrella
	Underwriters at Lloyd's London
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA</i>
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Crime
	Hanover Insurance Company
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA</i>
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Cyber Liability
	BCS Insurance Company
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA</i>
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Workers Compensation
	Illinois Public Risk Fund
<i>TRIA Cannot Be Rejected</i>	

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those addressed in the coverage considerations included in this proposal, please list below:

Producer/ Insured Coverage Amendments and Notes:

Exposures and Values

We confirm the payroll, values, schedules, and other data contained in the proposal, and submitted to the underwriters, are compiled from our records and we acknowledge it is our responsibility to see that they are maintained accurately. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies.

Provide Quotations or Additional Information on the Following Coverage Considerations:

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By rejecting a quotation for this valuable coverage, you understand that there will be no coverage and agree to hold Gallagher harmless in the event of a loss.

Umbrella

Yes No - Increased Limits

Gallagher's liability to Client arising from any acts or omissions of Gallagher shall not exceed \$20 million in the aggregate. Gallagher shall only be liable for actual damages incurred by Client, and shall not be liable for any indirect, consequential or punitive damages or attorneys' fees. 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 this Agreement or any Services provided hereunder may be brought by either party any later than two (2) years after the accrual of such 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/>.

I have read, understand and agree that the above-information is correct and has been disclosed to us prior to authorizing Gallagher to bind coverage and/or provide services to us.

By: _____
Print Name

Title

Signature

Date: _____

Appendix

Claims Reporting By Policy

Direct Reporting

Immediately report all claims for the following lines of coverage to the insurance carrier.

➤ **Package, Auto, Umbrella (Brit)**

Your Claims will be handled by Alternative Service Concepts (ASC), a team with expertise in handling Public Entity claims Specifically dedicated to the Package First product.

- ASC/BRIT DEDICATED TEAM SUPPORT PERSON
- Phone: 615-360-1358
- Fax: 1-877-721-1855
- Email: <mailto:Britpackagefirstclaims@ascrisk.com>

- TPA Name: Alternative Service Concepts
Two Rivers Corporate Centre, Suite 802
2501 Mc Gavock Pike
Nashville, TN 37214

➤ **Equipment Breakdown**

- Hartford Steam Boiler Inspection and Insurance Co
- Phone: 888.472.5677
- Fax: 888.329.5677
- Email: New_Loss@hsb.com

➤ **Crime**

- Citizens Insurance Company of America (Hanover)
- Address: Hanover Insurance Company
333 W Pierce Rd
Itasca, IL 60143
Attn: Ginger Johnson, Fidelity Claims
Ginger's phone number is 630-760-3464 & email gjohnson@hanover.com

➤ **Workers Compensation**

- Illinois Public Risk fund
- Phone: (888) 532-6981
- Fax: (888) 223-1638
- Email: www.iprf.com

➤ **Package, Umbrella (Travelers)**

- Travelers Property Casualty Company of America
- The Charter Oak Fire Insurance Co
- Travelers Indemnity Company
- Phoenix Insurance Company
- Phone # : 1-800-238-6225

➤ **Cyber Liability**

- BCS Insurance Company
- Phone#: 1-866-288-1705
- Fax#:
- Email: rps cyberclaims@clydeco.us

Bindable Quotations & Compensation Disclosure Schedule

Client Name: Village of Gilberts

COVERAGE(S)	CARRIER NAME(S)	WHOLESALE, MGA, OR INTERMEDIARY NAME ¹	EST. ANNUAL PREMIUM ²	COMM.% OR FEE ³	GALLAGHER U.S. OWNED WHOLESALE, MGA, OR INTERMEDIARY %
Package Property General Liability	Underwriters at Lloyd's London (Brit)	Brit Global Specialty USA	\$37,432.00	15 %	*
Equipment Breakdown	Hartford Steam Boiler Inspection & Insurance Co. (Munich Re America Corporation Group)	Risk Placement Services	\$3,101.00	20 %	Yes, 10 %
Automobile	Underwriters at Lloyd's London (Brit)	Brit Global Specialty USA	\$15,096.00	15 %	*
Umbrella	Underwriters at Lloyd's London (Brit)	Brit Global Specialty USA	\$7,807.00	15 %	*
Crime	Hanover Insurance Company	Arthur J. Gallagher & Co. - Pittsburgh	\$1,012.00	10 %	Yes, 10 %
Cyber Liability	BCS Insurance Company	Risk Placement Services	\$3,072.00	7.5 %	Yes, 7.5 %
Workers Compensation	Illinois Public Risk Fund	Boyle, Flagg and Seamon, Inc. (BF&S Insurance)	\$41,083.00	10 %	No, 3 %
Package	Trident Insurance Services, LLC (USE ALTPU1)	N/A	\$65,000.00*	15 %	N/A

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.

Appended Documents



**PUBLIC OFFICIALS LIABILITY COVERAGE FORM
CLAIMS-MADE COVERAGE**

Public Officials Liability coverage applies only if limits are shown in **Item 11.** of the Declarations.

Within this Coverage Form, the word “insured” means any person or organization qualifying as such under PUBLIC OFFICIALS—WHO IS AN INSURED.

SECTION I—COVERAGES

1. INSURING AGREEMENT

We will pay on behalf of the insured all “loss” resulting from “public officials wrongful act(s)” but only with respect to “claims” first made against the insured during the “policy period” or Extended Reporting Period. The “public officials wrongful acts” must occur during the “policy period” and within the “coverage territory.” There is no coverage for “public officials wrongful act(s)” which occur during the Extended Reporting Period.

2. DEFENSE AND SUPPLEMENTARY PAYMENTS

We will have the right and duty to defend any “suit” against the insured even if any of the allegations of the “suit” are groundless, false or fraudulent. We may make such investigation of any “claim” or “suit” as we deem expedient. We will not be obligated to pay any “claim” or judgment or to defend any “suit” after the applicable limit of our liability has been exhausted by payment of judgments or settlements.

The insured, except at its own cost and for its own account, will not, without our written consent, make any payment, admit any liability, settle any “claim,” assume any obligation, or incur any expense.

We will have the right, but no duty, to appeal any judgment.

We will pay, in addition to the applicable Limit of Liability:

- a. All expenses incurred by us, and all interest on the entire amount of any judgment therein, which does not exceed the limit of our liability;
- b. All reasonable expenses incurred by the insured at our request to assist in the investigation or defense of a “claim” or “suit.” Expenses, as used here, do not

include salaries of your officers or employees, except for actual loss of earnings, up to \$100 a day, because of time off from work;

- c. 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 Liability, we will not pay any prejudgment interest based on that period of time after the offer;
- d. Premium on appeal bonds required in any “suit” defended by us and the cost of attachment or similar bonds.

SECTION II—EXCLUSIONS

We will not be obligated to make any payment nor to defend any “suit” in connection with any “claim” made against the insured:

1. Based upon or attributable to any insured gaining profit, advantage or remuneration to which the insured is not entitled;
2. For any damage arising from “bodily injury,” sickness, emotional distress, mental anguish, disease or death of any person, or for damage to or destruction of any property, including diminution of value or loss of use thereof;
3. “Law Enforcement Activities”
“Bodily injury”, “property damage” or “personal and advertising injury”:
 - a. Arising out of any aspect of “law enforcement activities” or operations, including but not limited to, the operation, licensure, maintenance of or use of jails, jail premises, adult or juvenile detention or holding facilities;

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- b. Arising out of any act or omission connected in any way, either directly or indirectly, to the supervision, management or oversight of "law enforcement activities", police departments, law enforcement agencies, law enforcement agents or "employees", members of commissions, boards, vendors or their "employees", volunteers, including "volunteer workers", units operating under a mutual aid agreement or under the jurisdiction of the insured; or anyone or any entity performing "law enforcement activities"; or
 - c. Arising from any decisions or actions in connection with funding or failure to fund for "law enforcement activities".
4. As a result of a strike, riot, civil commotion, or mob action;
5. Arising out of:
- a. any "public officials wrongful act" which takes place prior to the "policy period" if the insured had knowledge of circumstances which could reasonably be expected to give rise to a "claim"; or
 - b. any "loss" for which the insured is entitled to indemnity or payment by reason of having given notice of any circumstances which might give rise to a "claim" under any policy or policies the term of which has expired prior to the inception date of this policy;
 - c. any claim arising out of pending or prior litigation or hearing, as well as future "claims" arising out of any pending or prior litigation or hearing. If this policy is a renewal of a policy issued by the Company, this exclusion shall only apply with respect to "claims" arising out of any pending or prior litigation or hearing, prior to the effective date of the first policy issued and continuously renewed by the Company.
6. For "claim(s)," demands, or actions seeking relief or redress in any form other than monetary damages, or for any fees, costs or expenses which the insured may become obligated to pay as a result of any adverse judgment for declaratory relief or injunctive relief; however, we will afford defense to the insured for such actions, "claim(s)," "suit(s)" or demands in which monetary damages are requested if not otherwise excluded;
7. For "claim(s)" arising from:
- a. procurement of goods or services;
 - b. construction contracts;
 - c. architectural or engineering contracts;
 - d. the process of bidding or awarding contracts; or
- e. liability assumed by the insured under any contract or agreement, unless the insured would have been legally liable in the absence of such contract or agreement;
8. Based upon or attributable to any failure or omission of the insured to effect or maintain insurance of any kind;
9. Employment Related Practices
- For "claims", demands or actions seeking relief or redress in any form by:
- A. Any person, or any class of persons, arising out of any:
- (1) Type of employment-related practices, policies, acts or omissions, including but not limited to, coercion, demotion, evaluation, reassignment, malicious prosecution, discipline, libel, slander, invasion of privacy, defamation, "harassment", humiliation, or "discrimination" involving or directed at any person; including any verbal, physical, mental or emotional abuse resulting from or arising out of such employment-related practices, policies, acts or omissions;
 - (2) Failure or refusal to employ, train, or promote that person;
 - (3) Dismissal, discharge or termination of that person's employment or membership, whether actual or constructive;
 - (4) Retaliatory action against volunteers or "volunteer workers", or "employees", for the exercise, or not exercising, any legally protected right, or for engaging in any legally protected activity, including but not limited to, actions of:
 - (A) Performing or declining to perform an unethical or illegal act;
 - (B) Filing a complaint or bringing "suit" against you or anyone else;
 - (C) Testifying against any insured at a legal proceeding;
 - (D) Notifying a proper authority of any aspect of your operation that is illegal;
 - (5) Violation of any Federal, state or local law (common law or statutory) concerning employment or any employment-related practice, policy or procedure described in (1) above, or if insurance is prohibited by law; or
- B. The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in paragraphs (1), (2), (3), (4) or (5) above is directed:

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C. Any person or any class of person arising out of any "discrimination" or "harassment" directly or indirectly related to:

- (1) The past employment, employment or prospective employment by any insured;
- (2) Any fines, penalties, specific performance, or injunctions levied or imposed by a governmental entity, governmental code, law or statute because of "discrimination" or "harassment".

This Employment Related Practices exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs a. (1), (2), (3), (4) or (5) above occurs before employment or after employment of that person;
 - (2) Whether the insured may be liable as an employer or in any other capacity; and
 - (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.
10. For any damages arising out of the providing of, or failure to provide, professional services to anyone other than the Named Insured by any member of the medical profession, or by any lawyer, architect, engineer or accountant;
11. By the Named Insured or on its behalf.
12. Aircraft, Auto or Watercraft

For claims arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the "loss" or "claim" against any insured allege negligence in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal injury" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

13. Any "loss" or "claim(s)" arising during the policy period for damages resulting directly or indirectly from your failure to remedy dangerous circumstances or conditions known to you prior to the policy period.
14. For libel, slander, defamation, invasion of privacy, wrongful eviction, assault, battery, malicious prosecution or abuse of process;

SECTION III—PUBLIC OFFICIALS—WHO IS AN INSURED

Each of the following is an Insured:

1. You;
2. All persons who were, now are, or will be your lawfully elected, appointed or employed officials;
3. Members of commissions, boards or other units operated by you and under your jurisdiction and within apportionment of the total operating budget indicated in the application form, provided that the insurance afforded will not extend to any of the following boards, commissions or units: airports, transit authorities, hospitals, municipally owned gas companies, housing authorities or port authorities;
4. All your employees and all persons who perform service on a volunteer basis for you and under your direction and control;
5. Any persons providing services to you under any mutual aid or similar agreement; and
6. The estates, heirs, legal representative or assigns of deceased persons who were insureds at the time of a "public officials wrongful act(s)" but only to the extent that they would otherwise be provided coverage under this Coverage Form.

However none of the following are insureds under this Coverage Form:

1. Any insured, including you, with respect to the operation of boards, commissions or other units, the members of which are not afforded coverage under 3. above; and
2. All persons or entities who are on retainer, are a consultant or are under contract for services, for any insured.

SECTION IV—LIMITS OF LIABILITY

Regardless of the number of insureds under this Coverage Form, persons or organizations who sustain damages payable under this Coverage Form, and/or "suit(s)" brought under this Coverage Form, our liability is limited as follows:

1. The Limit of Liability stated on the Declarations as applicable to each "public officials wrongful act" is the limit of our liability for all "loss" arising out of one "public officials wrongful act" covered by this Coverage Form.
2. The Limit of Liability stated on the Declarations as applicable to the Annual Aggregate is subject to the above provision respecting each "public officials wrongful act" and is the maximum limit of our liability for each "policy

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period.” In no event will our total Limit of Liability be increased for any Extended Reporting Period.

3. Subject to the Limits of Liability stated above, we will only be liable to pay for damages in excess of the “deductible” shown on the Declarations for each and every “public officials wrongful act.” In the event we expend funds either for damages or “loss adjustment expense” on behalf of the insured, we will be reimbursed for such expenditures up to the amount of the “deductible” shown on the Declarations. Upon written demand by us, the amount of such “deductible” will be payable to us within thirty (30) days.
4. “Claims” based on or arising out of the same act or interrelated acts of one or more insured(s) will be considered to be based on a single “public officials wrongful act” and only one each “public officials wrongful act” Limit of Liability and only one “deductible” will be applicable to such single “public officials wrongful act.”

SECTION V—CONDITIONS

1. Settlement.

We will not settle any “suit” without the insured’s consent. If, however, the insured refuses to consent to any settlement, and shall elect to contest the “claim” or continue any legal proceedings in connection with such “claim,” our liability for the “claim” shall not exceed the amount for which the “claim” could have been so settled, plus “loss adjustment expense” incurred up to the date of such refusal.

2. Insured’s Duties In The Event Of A “Claim” Or “Suit.”

- a. In the event of a “claim,” written notice containing particulars sufficient to identify the insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, will be given by or for the insured to us or any of our authorized agents as soon as practicable;
- b. If a “claim” is made or a “suit” is brought against the insured, the insured will as soon as practicable forward to us every demand, notice, summons or other process received by them or their representative;
- c. The insured will cooperate with us and, at our request, consent to being examined and questioned by a representative of ours, under oath if necessary, attend hearings, depositions and trials and will assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of “suit(s),” as well as in the giving of written

statement or statements to our representatives and defense. In the event of a “claim” occurring likely to involve us hereunder, the insured will not make any payment, assume any liability or incur any expense without our consent first being obtained. We will have full discretion in the handling of any “claim,” and the insured will give full information and assistance as we may reasonably require.

3. Awareness Provision.

- a. If, during the “policy period” or the Extended Reporting Period, the insured receives oral notice from any party that it is the intention of such party to hold the insured responsible for any “public officials wrongful act(s),” the insured will give written notice to us of the receipt of such oral notice, during the “policy period” or Extended Reporting Period. . Any “claim(s)” made against the insured arising out of such “public officials wrongful act(s)” will, for the purpose of this Coverage Form, be treated as a “claim” made during the “policy period” in which such notice was given, or, if given during the Extended Reporting Period, as a “claim” made during the last “policy period”;
- b. For the purpose of the above clause, notice to the designee named on the Declarations will constitute notice to the insured;
- c. In the event of any “claim” occurring hereunder, notice to us will be given to the person or firm(s) shown on the Declarations. Notice will be deemed to be received if sent by prepaid mail, properly addressed.

SECTION VI—DEFINITIONS

Whenever used in this Coverage Form, the following words have these meanings:

1. “Claim” means a written notice from any party that it is their intention to hold an insured responsible for “loss” resulting from a “public officials wrongful act” covered by this Coverage Form.
2. “Deductible” means the amount shown in on the Declarations that the insured must contribute to “loss” and “loss adjustment expense.”
3. “Loss” means any monetary amount which the insured is legally obligated to pay as a result of “public officials wrongful act” covered by this Coverage Form and will include, but not be limited to, judgments and settlements, but “loss” will not include fines imposed by law, or matters which may be deemed uninsurable under the law pursuant to which this Coverage Form will be construed.

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4. "Loss adjustment expense" means all expenditures including, but not limited to, costs of investigations, experts, adjustment services, legal services and court costs incurred by us as a result of coverage afforded by this Coverage Form. "Loss Adjustment Expense" will not include salaries of our employees.
5. "Public officials wrongful act" means:

Any actual or alleged:

 - a. error or omission, neglect or breach of duty by the insured;
 - b. violation of civil rights protected under 42 USC 1981 et sequential; or
 - c. violation of any state civil rights law;

which arises out of the discharge of duties for you, individually or collectively.
6. "Suit" means a civil proceeding in which monetary damages are alleged because of a "public officials wrongful act" to which this Coverage Form applies. "Suit" includes:
 - a. an arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
3. Coverage for an optional Supplemental Extended Reporting Period must be added by endorsement and an additional premium charge must be paid. Such period starts sixty (60) days after the end of the "policy period."
4. You will have a one-time option to elect the period of time for which the Supplemental Extended Reporting Period will apply, which in no event will exceed thirty-six (36) months. The available one-time options and the additional premium charge for each option are listed below:
 - a. Twelve (12) month option—70% of the Annualized Coverage Form Premium;
 - b. Twenty-four (24) month option—120% of the Annualized Coverage Form Premium;
 - c. Thirty-six (36) month option—150% of the Annualized Coverage Form Premium.

Once in effect, the Supplemental Extended Reporting Period may not be canceled and the applicable premium is fully earned.
5. This right to purchase the Supplemental Extended Reporting Period will terminate unless written notice is given to us no later than sixty (60) days after the effective date of cancellation or nonrenewal of this Coverage Form. Payment in full of the Supplemental Extended Reporting Period premium and any outstanding premiums or recoveries owed to us will be made concurrently with such written notice for such Supplemental Extended Reporting Period to become effective.

SECTION VII—EXTENDED REPORTING PERIOD—BASIC AND OPTIONAL SUPPLEMENTAL

1. An Extended Reporting Period, described below, will be provided if this Coverage Form is canceled or non-renewed by us, except for nonpayment of premium, or if we renew or replace coverage with insurance that:
 - a. has a retroactive date; or
 - b. provides coverage on other than a Claims-Made basis.
2. A Basic Extended Reporting Period is automatically provided without additional charge. This period begins at the end of the "policy period" and lasts for sixty (60) days. The Basic Extended Reporting Period does not apply to "claim(s)" covered under any subsequent policy.
6. The Extended Reporting Period does not extend the "policy period" or change the scope of coverage provided. Subject to this Coverage Form's terms, Limits of Liability, exclusions and conditions, this Coverage Form is extended to apply to "claim(s)" first made against the insured during the Basic Extended Reporting Period, or, if purchased, the Supplemental Extended Reporting Period, but only to "claim(s)" due to "public officials wrongful act(s)" committed prior to the end of the "policy period."
7. The Extended Reporting Period does not reinstate or increase this Coverage Form's Limits of Liability. "Claim(s)" which are first received and recorded during the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if it is in effect, will be deemed to have been made on the last day of the "policy period."

**EMPLOYMENT PRACTICES LIABILITY COVERAGE FORM
CLAIMS-MADE COVERAGE**

Employment Practices Liability coverage applies only if limits are shown in **Item 13.** of the Declarations.

Within this Coverage Form, the word “insured” means any person or organization qualifying as such under EMPLOYMENT PRACTICES LIABILITY—WHO IS AN INSURED.

SECTION I—COVERAGES

1. INSURING AGREEMENT

We will pay on behalf of the insured all “loss” resulting from “employment practices wrongful act(s)” but only with respect to “claims” first made against the insured during the “policy period” or Extended Reporting Period. The “employment practices wrongful act(s)” must occur during the “policy period” and within the “coverage territory.” There is no coverage for “employment practices wrongful act(s)” which occur during the Extended Reporting Period.

2. DEFENSE AND SUPPLEMENTARY PAYMENTS

We will have the right and duty to defend any “suit” against the insured even if any of the allegations of the “suit” are groundless, false or fraudulent. We may make such investigation of any “claim” or “suit” as we deem expedient. We will not be obligated to pay any “claim” or judgment or to defend any “suit” after the applicable limit of our liability has been exhausted by payment of judgments or settlements.

The insured, except at its own cost and for its own account, will not, without our written consent, make any payment, admit any liability, settle any “claim,” assume any obligation, or incur any expense.

We will have the right, but no duty, to appeal any judgment.

We will pay, in addition to the applicable Limit of Liability:

- a. All expenses incurred by us, and all interest on the entire amount of any judgment therein, which does not exceed the limit of our liability;
- b. All reasonable expenses incurred by the insured at our request to assist in the investigation or defense of a “claim” or “suit.” Expenses, as used here, do not include salaries of your officers or employees, except

for actual loss of earnings, up to \$100 a day, because of time off from work;

- c. 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 Liability, we will not pay any prejudgment interest based on that period of time after the offer;
- d. Premium on appeal bonds required in any “suit” defended by us and the cost of attachment or similar bonds.

SECTION II—EXCLUSIONS

We will not be obligated to make any payment nor to defend any “suit” in connection with any “claim” made against the insured:

- 1. Based upon or attributable to any insured gaining profit, advantage or remuneration to which the insured is not entitled;
- 2. For any damage arising from “bodily injury,” sickness, disease or death of any person, or for damage to or destruction of any property, including diminution of value or loss of use thereof; however, for the purpose of this exclusion, “bodily injury” does not include emotional distress or mental anguish;
- 3. For assault and battery; except for reasonable force used to protect persons or property.
- 4. Alleging any violation of civil rights other than employment related civil rights;
- 5. Arising out of:
 - a. any “employment practices wrongful act(s)” which takes place prior to the “policy period” if the insured

had knowledge of circumstances which could reasonably be expected to give rise to a "claim"; or

- b. any "loss" for which the insured is entitled to indemnity or payment by reason of having given notice of any circumstances which might give rise to a "claim" under any policy or policies the term of which has expired prior to the inception date of this policy;
 - c. any claim arising out of pending or prior litigation or hearing, as well as future "claims" arising out of any pending or prior litigation or hearing. If this policy is a renewal of a policy issued by the Company, this exclusion shall only apply with respect to "claims" arising out of any pending or prior litigation or hearing, prior to the effective date of the first policy issued and continuously renewed by the Company.
6. Based upon or arising out of:
- a. any activity for which the insured is acting in a fiduciary capacity; or
 - b. any activity concerning an "employee benefit plan", welfare plan or retirement plan, or self insurance fund, including 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.
 - c. any liability assumed by the insured under any contract or agreement, unless the insured would have been legally liable in the absence of such contract or agreement;
7. For "claim(s)," demands, or actions seeking relief or redress in any form other than monetary damages, or for any fees, costs or expenses which the insured may become obligated to pay as a result of any adverse judgment for declaratory relief or injunctive relief; however:
- a. We will afford defense to the insured for such actions, "claim(s)," "suit(s)" or demands in which monetary damages are requested if not otherwise excluded; and
 - b. We will indemnify the insured for reasonable costs and fees incurred in the defense of "suit(s)" seeking relief or redress in any form other than monetary damages by reason of an "employment practices wrongful act" which is otherwise covered by this policy, in accordance with the following additional provisions:
 - (1) The insured must report each circumstance which could reasonably be expected to give rise to a "suit" to us during the "policy period" or within the Basic Extended Reporting Period;

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- (2) We will have no duty to investigate or defend any such "suit(s)," but we will have the right, at our option and expense, to investigate or take over the defense of any such "suit(s)";
- (3) We will only be liable to pay for reasonable costs and fees in excess of the "deductible" amount shown in Item 14. of the Declarations. We will have no obligation to pay any salary expense of the insured;
- (4) The limit of our liability for all such cost and fees will not exceed \$10,000 for each "suit" arising out of an "employment practices wrongful act," not to exceed \$50,000 for each "policy period";
- (5) "Claim(s)" based on or arising out of the same act or interrelated acts of one or more insured(s) will be considered to be based on a single "employment practices wrongful act"; and
- (6) The Limit of Liability applicable to this provision is in addition to the Limits of Liability otherwise stated in the coverage form;

8. By the Named Insured or on its behalf;

9. For back wages, overtime or similar "claim(s)," even if designated as liquidated damages, under any federal, state or local statutes, rules, ordinances or regulations, if such "claim(s)" arise out of a "employment practices wrongful act" committed prior to the effective date of this policy; or for "claim(s)" arising from collective bargaining agreements;

10. Aircraft, Auto or Watercraft

For claims arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the "loss" or "claim" against any insured allege negligence in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal injury" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

SECTION III—EMPLOYMENT PRACTICES LIABILITY—WHO IS AN INSURED

Each of the following is an Insured:

1. You;
2. All persons who were, now are, or will be your lawfully elected, appointed or employed officials;
3. Members of commissions, boards or other units operated by and under your jurisdiction and within apportionment of the total operating budget indicated in the application form, provided that the insurance afforded will not extend to any of the following boards, commissions or units: airports, transit authorities, hospitals, municipally owned gas companies, housing authorities or port authorities;
4. All employees and all persons who perform service on a volunteer basis for you and under your direction and control; and
5. The estates, heirs, legal representative or assigns of deceased persons who were insureds at the time of an "employment practices wrongful act(s)" but only to the extent that they would otherwise be provided coverage under this Coverage Form.

However none of the following are insured(s) under this Coverage Form:

1. Any insured, including you, with respect to the operation of boards, commissions or other units, the members of which are not afforded coverage under 3. above; and
2. All persons or entities who are on retainer, are a consultant or are under contract for services, for any insured.

SECTION IV—LIMITS OF LIABILITY

Regardless of the number of insured(s) under this Coverage Form, persons or organizations who sustain damages payable under this Coverage Form, and/or "suit(s)" brought under this Coverage Form, our liability is limited as follows:

1. The Limit of Liability stated on the Declarations as applicable to each "employment practices wrongful act" is the limit of our liability for all "loss" arising out of one "employment practices wrongful act" covered by this Coverage Form.
2. The Limit of Liability stated on the Declarations as applicable to the Annual Aggregate is subject to the above provision respecting each "employment practices wrongful act" and is the maximum limit of our liability for each "policy period." In no event will our total Limit of Liability be increased for any Extended Reporting Period.

3. Subject to the Limits of Liability stated above, we will only be liable to pay for damages in excess of the "deductible" shown on the Declarations for each and every "employment practices wrongful act." In the event we expend funds either for damages or "loss adjustment expense" on behalf of the insured, we will be reimbursed for such expenditures up to the amount of the "deductible" shown on the Declarations. Upon written demand by us, the amount of such "deductible" will be payable to us within thirty (30) days.
4. "Claims" based on or arising out of the same act or interrelated acts of one or more insured(s) will be considered to be based on a single "employment practices wrongful act" and only one each "employment practices wrongful act" Limit of Liability and only one "deductible" will be applicable to such single "employment practices wrongful act."
5. Subject to the Limits of Liability stated above, we will only be liable to pay \$10,000 for damages in excess of \$5,000 for back wages, overtime, or similar "claims" arising out of each "employment practices wrongful act," even if designated as liquidated damages under any federal, state or local statutes, rules, ordinances or regulations. This limit is part of, and not in addition to, the limits shown in Item 13. of the Declarations. Any payments made hereunder will be included in the Annual Aggregate limit of liability stated on the Declarations.
6. Workplace Violence Counseling

We will reimburse you up to \$5,000 in any one "policy period" for expenses you incur for the counseling of "employees" of the Named Insured when that counseling is necessary due to an incident of "Workplace Violence." The "deductible" does not apply to this coverage.

"Workplace Violence" as applicable to this extension means the intentional use of, or threat to use, deadly force by any person with the intent to cause harm; and that results in "bodily injury" or death of a person while on that Named Insured's described premises.

SECTION V—CONDITIONS

1. Settlement.

We will not settle any "suit" without the insured's consent. If, however, the insured refuses to consent to any settlement, and shall elect to contest the "claim" or continue any legal

proceedings in connection with such "claim," our liability for the "claim" shall not exceed the amount for which the "claim" could have been so settled, plus "loss adjustment expense" incurred up to the date of such refusal.

2. Insured's Duties In The Event Of A "Claim" Or "Suit."

- a. In the event of a "claim," written notice containing particulars sufficient to identify the insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, will be given by or for the insured to us or any of our authorized agents as soon as practicable;
- b. If a "claim" is made or a "suit" is brought against the insured, the insured will as soon as practicable forward to us every demand, notice, summons or other process received by them or their representative;
- c. The insured will cooperate with us and, at our request, consent to being examined and questioned by a representative of ours, under oath if necessary, attend hearings, depositions and trials and will assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of "suit(s)," as well as in the giving of written statement or statements to our representatives and defense. In the event of a "claim" occurring likely to involve us hereunder, the insured will not make any payment, assume any liability or incur any expense without our consent first being obtained. We will have full discretion in the handling of any "claim," and the insured will give full information and assistance as we may reasonably require.

3. Awareness Provision.

- a. If, during the "policy period" or the Extended Reporting Period, the insured receives oral notice from any party that it is the intention of such party to hold the insured responsible for any "public officials wrongful act(s)," the insured will give written notice to us of the receipt of such oral notice, during the "policy period" or Extended Reporting Period. . Any "claim(s)" made against the insured arising out of such "public officials wrongful act(s)" will, for the purpose of this Coverage Form, be treated as a "claim" made during the "policy period" in which such notice was given, or, if given during the Extended Reporting Period, as a "claim" made during the last "policy period";

- b. For the purpose of the above clause, notice to the designee named on the Declarations will constitute notice to the insured;
- c. In the event of any "claim" occurring hereunder, notice to us will be given to the person or firm(s) shown under Item 16. of the Declarations. Notice will be deemed to be received if sent by prepaid mail, properly addressed.

SECTION VI—DEFINITIONS

Whenever used in this Coverage Form, the following words have these meanings:

1. "Claim" means:
 - a. A written notice from any party that it is their intention to hold the insured responsible for "loss" resulting from an "employment practices wrongful act" covered by this Coverage Form; and
 - b. Any notice that requires you to attend an administrative hearing conducted by the EEOC or by any state agency with a similar purpose.
2. "Deductible" means the amount shown on the Declarations that the insured must contribute to "loss" and "loss adjustment expense."
3. "Employee benefit plans" means a formal program or programs of "employee" benefits maintained in connection with your operations, such as but not limited to Group Life Insurance, Group Accident or Health Insurance, Pension Plans, Savings Plans, Employee Stock Plans, Paid Time Off or Vacation Plans, provided that no one other than an "employee" may subscribe to such insurance or plans. This term also includes workers' compensation and unemployment insurance, social security benefits, workers' compensation and disability benefits or other statutorily required plans.
4. "Employment practices wrongful act(s)" means:

Any actual or alleged:

 - a. Refusal to employ;
 - b. Termination of employment; or
 - c. False arrest, false imprisonment, libel, slander, defamation, harassment, humiliation, discrimination, invasion of privacy, wrongful eviction, malicious prosecution, abuse of process, or any other act, omission or policy;

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based upon or attributable to anyone's employment or application for employment by you;

5. "Loss" means any monetary amount which the insured(s) is legally obligated to pay as a result of "employment practices wrongful act(s)" covered by this Coverage Form and will include, but not be limited to, judgments and settlements, but "loss" will not include fines imposed by law, or matters which may be deemed uninsurable under the law pursuant to which this Coverage Form will be construed.
6. "Loss adjustment expense" means all expenditures including, but not limited to, costs of investigations, experts, adjustment services, legal services and court costs incurred by us as a result of coverage afforded by this Coverage Form. "Loss adjustment expense" will not include salaries of our employees.
7. "Suit" means a civil proceeding in which monetary damages are alleged because of an "employment practices wrongful act" to which this Coverage Form applies. "Suit" includes:
 - a. an arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

SECTION VII—EXTENDED REPORTING PERIOD—BASIC AND OPTIONAL SUPPLEMENTAL

1. An Extended Reporting Period, described below, will be provided if this Coverage Form is canceled or non-renewed by us, except for nonpayment of premium, or if we renew or replace coverage with insurance that:
 - a. has a retroactive date; or
 - b. provides coverage on other than a Claims-Made basis.
2. A Basic Extended Reporting Period is automatically provided without additional charge. This period begins at the end of the "policy period" and lasts for sixty (60) days. The Basic Extended Reporting Period does not apply to "claim(s)," covered under any subsequent policy.
3. Coverage for an optional Supplemental Extended Reporting Period must be added by endorsement and an additional

premium charge must be paid. Such period starts sixty (60) days after the end of the "policy period."

4. You will have a one-time option to elect the period of time for which the Supplemental Extended Reporting Period will apply, which in no event will exceed thirty-six (36) months. The available one-time options and the additional premium charge for each option are listed below:
 - a. Twelve (12) month option—70% of the Annualized Coverage Form Premium;
 - b. Twenty-four (24) month option—120% of the Annualized Coverage Form Premium;
 - c. Thirty-six (36) month option—150% of the Annualized Coverage Form Premium.

Once in effect, the Supplemental Extended Reporting Period may not be canceled and the applicable premium is fully earned.

5. This right to purchase the Supplemental Extended Reporting Period will terminate unless written notice is given to us no later than sixty (60) days after the effective date of cancellation or nonrenewal of this Coverage Form. Payment in full of the Supplemental Extended Reporting Period premium and any outstanding premiums or recoveries owed to us will be made concurrently with such written notice for such Supplemental Extended Reporting Period to become effective.
6. The Extended Reporting Period does not extend the "policy period" or change the scope of coverage provided. Subject to this Coverage Form's terms, Limits of Liability, exclusions and conditions, this Coverage Form is extended to apply to "claim(s)" first made against the insured during the Basic Extended Reporting Period, or, if purchased, the Supplemental Extended Reporting Period, but only to "claim(s)," due to "employment practices wrongful act(s)" committed prior to the end of the "policy period."
7. The Extended Reporting Period does not reinstate or increase this Coverage Form's Limits of Liability. "Claim(s)," which are first received and recorded during the Basic Extended Reporting Period" or the Supplemental Extended Reporting Period, if it is in effect, will be deemed to have been made on the last day of the "policy period."

EMPLOYMENT PRACTICES LIABILITY COVERAGE PART – PUBLIC ENTITY EMPLOYEES

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

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

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

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

- 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

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

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

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

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

- 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.

VII. RETENTIONS

The retention for each Coverage is stated in ITEM 4 of the Declarations. The applicable retention shall be first applied to "Damages", "Claims Expenses" and "Loss" covered by this Policy and "You" shall make direct payments within the retention to appropriate other parties designated by "Us". "We" shall be liable only for the amounts in excess of the retention, not to exceed the applicable "Sublimit(s) of Liability" or "Policy Aggregate Limit". Each single "Claim", single "Event" or "Combined Matter" shall be deemed to be one single potentially covered matter, and only one retention shall apply thereto. Where multiple Coverages potentially apply to a single "Claim", single "Event" or "Combined Matter"; only one retention shall apply and this shall be the highest retention applicable to such Coverages.

No retention is applicable to "Breach Response Counsel" fees and expenses.

With respect to Coverage G. 1, the applicable retention amount set forth in the Declarations applies once the "Period of Restoration" resulting from a "Network Disruption" has exceeded the "Waiting Period" in hours set forth in the Declarations; then the "Business Income Loss" to which such retention amount applies shall be computed as of the commencement of such "Network Disruption".

At "Our" sole and absolute discretion, "We" may pay all or part of the applicable retention, in which case "You" agree to repay "Us" immediately after "We" notify "You" of the payment; and such payment or repayment of any amount within the retention shall be first applied to "Damages", "Claims Expenses" and "Loss" covered by this Policy.

VIII. EXTENDED REPORTING PERIOD

- A. Basic "Extended Reporting Period": In the event of cancellation or non-renewal of this Policy by "You" or "Us", an "Extended Reporting Period" of sixty (60) days immediately following such cancellation or non-renewal shall be automatically granted hereunder at no additional premium. Such "Extended Reporting Period" shall cover "Claims" first made and reported to "Us" during such sixty (60) day "Extended Reporting Period" but only in respect of any act, error, or omission committed prior to the date of cancellation or non-renewal, and subject to all other terms, conditions, and exclusions of this Policy. No "Claim" in such sixty (60) day extended reporting period shall be covered under this Policy if "You" are entitled to indemnity under any other insurance or would have been entitled to indemnity under such insurance but for the exhaustion thereof.
- B. Optional "Extended Reporting Period": In the event of cancellation or non-renewal of this Policy by "You" or "Us", "You" shall have the right, upon payment in full and not proportionally or otherwise in part, of hundred percent (100%) of the annual premium shown in the Policy, to have issued an endorsement providing a twelve (12) month optional "Extended Reporting Period" after the end of the "Policy Period".
 1. Such optional "Extended Reporting Period" shall cover "Claims" made and reported to "Us" during this optional "Extended Reporting Period", but only in respect of any "Claim" arising out of any act, error, or omission committed prior to the date of cancellation or non-renewal, and subject to all other terms, conditions, and exclusions of the Policy.
 2. In order for "You" to invoke the optional "Extended Reporting Period", the payment of additional premium as stated in this provision must be paid to "Us" within thirty (30) days after the end of the "Policy Period".
 3. At the commencement of the optional "Extended Reporting Period", the entire premium shall be deemed fully earned, and in the event "You" terminate the optional "Extended

Reporting Period" for whatever reason prior to its natural expiration, "We" will not be liable to return any premium paid for the optional "Extended Reporting Period".

C. Terms and conditions of basic and optional "Extended Reporting Period"

1. At renewal of this Policy, "Our" quotation of different premium, retention or limit of indemnity or changes in policy language shall not constitute non-renewal by "Us" for the purposes of granting the optional "Extended Reporting Period".
2. The right to the "Extended Reporting Period" shall not be available to "You" where "We" cancel or non-renew due to non-payment of premium.
3. The limit of liability for the "Extended Reporting Period" shall be part of, and not in addition to, the limit of liability for the "Policy Period".
4. All notices and premium payments with respect to the "Extended Reporting Period" shall be directed to "Us" through the entity named in the Policy.

IX. TERMS AND CONDITIONS

A. NOTICE OF CLAIM OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. If any "Claim" is made against "You" during the "Policy Period" (or an "Extended Reporting Period", if applicable), or an "Event" first occurs during the "Policy Period", then as soon as practicable after a member of the "Control Group" becomes aware of such "Claim" or "Event", "You" must provide notice thereof to "Us" through the person identified in ITEM 8. in the Declarations, during the "Policy Period" (or an "Extended Reporting Period", if applicable), including every demand, notice, summons or other process "You" or "Your" representative receive.
2. If during the "Policy Period" a member of the "Control Group" becomes aware of any situation, circumstance, "Wrongful Act", act, error or omission that might reasonably give rise to a "Claim", and if "You" give written notice to "Us" through the person identified in ITEM 8. in the Declarations, as soon as practicable during the "Policy Period", of:
 - a. The specific details of the situation, circumstance, "Wrongful Act", act, error or omission that might reasonably give rise to a "Claim";
 - b. The possible damage which may result or has resulted from the situation, circumstance, "Wrongful Act", act, error or omission;
 - c. A description of how "You" first became aware of the situation, circumstance, "Wrongful Act", act, error or omission; and
 - d. Any "Computer System" security and event logs which provide evidence of the situation, circumstance, "Wrongful Act", act, error or omission,then any subsequent "Claim" made against "You" arising out of such situation, circumstance, "Wrongful Act", act, error or omission which is the subject of the written notice will be deemed to have been first made at the time written notice complying with the above requirements was first given to "Us".
3. A "Claim" shall be considered to be reported to "Us" when notice is first given to "Us" through the person identified in ITEM 8. in the Declarations or when notice of a situation, circumstance, "Wrongful Act", act, error or omission which might reasonably give rise to a "Claim" is first provided in compliance with Section IX.A.2 above. An "Event" shall be considered reported to "Us" when notice is first given to "Us" through the person identified in ITEM 8. in the Declarations.
4. Whenever coverage under this Policy would be lost due to non-compliance of Section IX.A.1.'s notice requirements because of the failure to give such notice, or concealment of such failure,