



**CONNECTICUT
INTERLOCAL
RISK
MANAGEMENT
AGENCY**

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To: Michael Muszynski, Advocacy Manager, CCM
From: David Demchak, President and Chief Executive Officer, CIRMA
Subject: Police Accountability Task Force; additional questions
Date: December 15, 2020

We have reviewed the questions from the Police Accountability Task force and have prepared the following response.

Specimen Policy Language

CIRMA's liability coverage document is a manuscript form tailored for the public sector. As requested, attached is a specimen copy of the CIRMA Liability Definitions, Liability General Terms and Conditions, Liability coverage Sections, Law Enforcement Liability, and Following Form Excess Liability. Please note these coverage documents (listed above) are the sole and exclusive property of CIRMA and contains proprietary information that may be confidential and legally privileged. This document is only for the use of the individual or entity to which it was intended and is provided for informational use only. The information contained does not constitute conveyance of insurance coverage and is provided as a matter of information only. Interpretation of policy language and all coverage decisions are determined solely by CIRMA.

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Question: Are the Liability limits identical to General Liability limits and Excess Liability limits?

Yes, the limits of liability for law enforcement are consistent with the limits provided under general liability and excess liability.

Question: do you expect CIRMA will modify its current law enforcement coverages?

CIRMA does not plan to make any modifications to the current LEL policy form for the 2021-2022 policy year.

Question: Would CIRMA likely alter its underwriting standards...revise various Law Enforcement Risk Management Resources?

CIRMA will continue to provide and further develop comprehensive Risk Management Resources to its members that meet current member needs and are consistent with evolving state and federal laws and public sector best practices.

Attachment: Specimen CIRMA Policy Language

I. LIABILITY DEFINITIONS

The following words and phrases have special meaning throughout this coverage certificate and are in quotation marks when used. PLEASE READ THEM CAREFULLY.

- A. ***“Advertising Injury”*** means injury arising out of one or more of the following offenses:
1. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services;
 2. Oral or written publication of material that violates a person's right of privacy;
 3. Misappropriation of advertising ideas or style of doing business; or
 4. Infringement of copyright, title, or slogan.
- B. ***“Asbestos”*** means the mineral in any form, including but not limited to fibers or dust.
- C. ***“Asbestos Hazard”*** means:
1. An actual exposure, or threat of exposure, to the harmful properties of *“asbestos,”* or;
 2. The presence of *“asbestos”* in any place, whether or not within a building or structure.
- D. ***“Auto”*** means a land motor vehicle, trailer, or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But *“auto”* does not include *“mobile equipment.”*
- E. ***“Bodily Injury”*** means bodily injury, sickness or disease, humiliation, mental anguish or mental injury sustained by a person, including death resulting from any of these at any time.
- F. ***“Claim”*** means a demand that seeks damages.
- G. ***“Company”*** refers to Connecticut Interlocal Risk Management Agency (CIRMA). The terms we, us and our(s) in this coverage certificate refer to *“Company.”*
- H. ***“Coverage Period”*** means the period stated in the Introduction as such, 12:01 a.m. Standard Time at your mailing address.

I. “Coverage Territory” means:

1. The United States of America (including its territories and possessions), Puerto Rico, and Canada;
2. International waters or airspace (provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in 1. above); or
3. Except with respect to liability resulting from the ownership, maintenance, or use of “autos,” all parts of the world if:
 - a. The injury or damage arises out of
 - (1) Goods or products made or sold by you in the territory described in 1. above; or
 - (2) The activities of a person whose home is in the territory described in 1. above, but is away for a short time on your business; and
 - b. The insured's responsibility to pay damages is determined in a “suit” on the merits, in the territory described in 1. above, or in a settlement to which we agree.

J. “Covered Contract” means:

1. A lease of premises;
2. A sidetrack agreement;
3. An easement or license agreement (in connection with vehicle or pedestrian private railroad crossings at grade);
4. Any other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
5. An indemnification of another municipality;
6. An elevator maintenance agreement; or
7. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of “*bodily injury*,” “*property damage*,” “*personal injury*,” or “*advertising injury*” to a third person or organization, if the contract or agreement is made prior to the “*bodily injury*,” “*property damage*,” “*personal injury*,” or “*advertising injury*.”

This part of the definition of “covered contract” does not include that part of any contract or agreement that indemnifies a railroad for liability for “*bodily injury*” or “*property damage*” arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass, or crossing.

Tort Liability means a liability that would be imposed by law in the absence of any contract or agreement.

8. A mutual aid agreement with another municipality.

9. A “*covered contract*” does not include that part of any contract or agreement:
- a. That indemnifies an architect, engineer, or surveyor for injury or damage arising out of:
 - (1) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs, or specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
 - b. Under which the insured, if an architect, engineer, or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failing to render professional services, including those listed in 1. above and supervisory, inspection, or engineering services; or
 - c. That indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner.

K. “*Employee*” includes a “*leased worker*.”

L. “*Employment Related Practices*” means:

1. Employment related misrepresentation, wrongful failure to employ or promote, wrongful deprivation of career opportunity, wrongful discipline or negligent employee evaluation and “*discrimination*,” “*wrongful termination*,” or “*harassment*”;
2. “*Discrimination*” means unlawful discriminatory treatment against a past, present, future, or temporary employee or volunteer that is based upon race, color, religion, age, gender, sexual orientation, disability (as defined by the Americans with Disabilities Act), pregnancy, national origin, or any other legally protected class;
3. “*Wrongful Termination*” means termination of an employment relationship with an employee or the failure to enter into an employment relationship with an applicant for employment in a manner that is against the law, including breach of an implied agreement to continue employment;
4. “*Harassment*” means unlawful creation of a harassing workplace environment based upon race, religion, age, gender, sexual orientation, disability (as defined by the Americans with Disabilities Act), pregnancy, national origin, or any other legally protected class, including without limitation, any unlawful sexual advances and/or requests for sexual favors that are made a condition of employment, are a basis for employment decisions, or create a work environment that interferes with performance.

- M. “Fungi, bacteria, wet or dry rot” means:**
1. any type of fungus, including mold or mildew and any mycotoxins, spores, scents, or by-products produced or released by a fungus;
 2. wet or dry rot; or
 3. bacteria other than fungi or bacteria that exist, are on, or are contained in, a good or product intended for consumption.
- N. “Garage operations” means the ownership, maintenance or use of locations for the purpose of the business of selling, servicing, repairing, parking or storing “autos” and that portion of the roads or other accesses that adjoin these locations.**
- O. “Health Care Professional Services” includes the performance of:**
1. Any dental, medical, mental, nursing, surgical, x-ray, or other health care professional service, including any advice, instruction, food, or beverage provided with such service;
 2. The dispensing of drugs or medical or dental supplies and appliances; and
 3. The handling or treatment of corpses, including autopsies, organ donation, and other postmortem procedures.
- P. “Hired Auto” means 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, or volunteers or members of their households.**
- Q. “Impaired Property” means tangible property, other than “your product” or “your work”, that cannot be used or is less useful because:**
1. It incorporates “your product” or “your work” that is known or thought to be defective, deficient, inadequate, or dangerous; or
 2. You have failed to fulfill the terms of a contract or agreement; and
 3. If such property can be restored to use by:
 - a. The repair, replacement, adjustment, or removal of “your product” or “your work;” or
 - b. Your fulfillment of the terms of the contract or agreement.
- R. “Law Enforcement” means operations or activities engaged in or conducted in furtherance of your obligation to provide law enforcement service. This includes operations or activities which arise out of the ownership, maintenance, or use of premises you designate for these operations and activities and the providing of first aid at the time of an accident or crime.**
- S. “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. However, a leased worker does not include any worker who is hired to temporarily take the place of a permanent employee on leave or meet seasonal or short-term workload conditions.

T. “Loading or Unloading” means the handling of property:

1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft, or “auto;” or
2. While it is in or on an aircraft, watercraft, or “auto;” or
3. While it is being moved from an aircraft, watercraft, or “auto” to the place where it is finally delivered;

but “loading or unloading” does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to aircraft, watercraft, or “auto.”

U. “Mobile Equipment” means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts, and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent (the term premises as used in this definition does not include roads you own);
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers, or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers, or rollers;
5. Vehicles not described in 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers;
6. Vehicles not described in 1., 2., 3., or 4. above maintained primarily for purposes other than the transportation of persons or cargo.
7. However, self-propelled vehicles with the following types of permanently attached equipment are not “mobile equipment” but will be considered “autos.”
 - a. Equipment designed primarily for:

- (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing;
 - (3) Street cleaning; or
 - (4) Fire fighting;
- b. Cherry pickers and similar devices mounted on “*auto*” or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment.

V. “Non-Owned Auto” means only those “*autos*” you do not own, lease, hire, or borrow which are used in connection with your business. This includes “*autos*” owned by:

1. Your employees;
2. Volunteers; or
3. Members of their households;
4. Others when used as part of your “*garage operations*”.

But only while used in your business or your personal affairs.

W. “Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which causes “*bodily injury*” or “*property damage*.”

1. With respect to:
 - a. Coverage Section A.
 - b. Coverage Section C.
 - c. Coverage Section D. “*Occurrence*” also includes incidents in which “*bodily injury*” or “*property damage*” result from an employee while performing their duties and acting within the scope of their employment, unless such “*bodily injury*” or “*property damage*” is the result of any willful or wanton act of such employee in the performance of such duty.
 - d. Coverage Section E.
 - e. Coverage Section G in connection with “*bodily injury*” and “*property damage*”; and
2. With respect to Coverage Section B in connection with “*personal injury*” and “*advertising injury*,” an offense listed in Section 1. Liability Definitions, A. “*Advertising Liability*,” and S. “*Personal Injury*.”
3. With respect to Coverage Section G. in connection with “*personal injury*” and “*advertising injury*,” an offense listed in Section I. Liability Definitions, A. “*Advertising Liability*,” and S. “*Personal Injury*.”

- X. “Organized Athletic Activities”** means any team organized, sponsored, or supervised by you for the purpose of promoting or permitting athletic competition by team members. Participation in regular school physical education classes during regular school hours is not considered participation on an organized athletic team.
- Y. “Personal Injury”** means injury, other than “*bodily injury*,” arising out of one or more of the following offenses;
1. False arrest, detention, or imprisonment;
 2. Malicious prosecution;
 3. Wrongful entry into, or eviction of a person from, a room, dwelling, or premises that the person occupies;
 4. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or
 5. Oral or written publication of material that violates a person's right of privacy.
- Z. “Pollution Hazard”** means the:
1. Actual, alleged, or threatened discharge, dispersal, release, or escape of pollutants; or
 2. The actual exposure or threat of exposure to the corrosive, toxic, or other harmful properties of pollutants.
- Pollutants means any solid, liquid, gaseous, or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.
- AA. “Products-Completed Operations Hazard”** includes all “*bodily injury*” and “*property damage*” occurring away from premises you own or rent and arising out of “*your product*” or “*your work*” except:
1. “*Your products*” that are still in your physical possession; or
 2. “*Your work*” that has not yet been completed or abandoned. However “*your work*” will be deemed completed at the earliest of the following times:
 - a. When all of the work called for in your contract has been completed.
 - b. When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
 - d. Work that may need service, maintenance, correction, repair, or replacement, but which is otherwise complete, will be treated as completed.

3. This “*products-completed operations hazard*” does not include “*bodily injury*” or “*property damage*” arising out of:
 - a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the “*loading or unloading*” of that vehicle by any insured;
 - b. The existence of tools, uninstalled equipment, or abandoned or unused materials;

BB. “Property Damage” means:

1. Physical injury to tangible property, including all resulting loss of use of that property; or
2. Loss of use of tangible property that is not physically injured.

CC. “Retroactive Date” means that date so specified as such in the Declarations.

DD. “Suit” means a civil proceeding that seeks damages. It includes:

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

However, this definition does not apply to Coverage Sections H and I.

EE. “Trailer” includes semi-trailer.

FF. “Unmanned Aircraft” means an aircraft that is not designed, manufactured, or modified after manufacture to be controlled directly by a person from within or on the aircraft. Unmanned Aircraft include, but are not limited to, drones and unmanned aerial vehicles.

GG. “Unmanned Aircraft System” means an “unmanned aircraft” and all of the associated equipment, including but not limited to, the control station, data links, telemetry, communications, navigation equipment, cameras, and other equipment necessary to operate and/or installed on, carried on board, or being loaded onto or unloaded from, the aircraft.

HH. “Your Product” means:

1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a. You;
 - b. Others trading under your name; or
 - c. A person or organization whose business or assets you have acquired; and

2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
3. “*Your product*” includes warranties or representation made at any time with respect to the fitness, quality, durability or performance of any of the items included in 1. and 2. above.
4. “*Your product*” does not include vending machines or other property rented to or located for the use of others but not sold.

II. “*Your Work*” means:

1. Work or operations performed by you or on your behalf; and
2. Materials, parts, or equipment furnished in connection with such work or operations.
3. “*Your work*” includes warranties or representations made at any time with respect to the fitness, quality, durability, or performance of any of the items included in 1. or 2. above.

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II. LIABILITY GENERAL TERMS AND CONDITIONS

Please refer to each Coverage Section as they may contain exceptions or additions to these GENERAL TERMS AND CONDITIONS.

A. WHO IS AN INSURED

1. The individual Coverage Sections may contain specific provisions regarding WHO IS AN INSURED. It is important to refer to each Coverage Section in addition to the following provisions.
2. You are an insured as shown as named insured in the Declarations.
3. Each of the following is also an insured to the extent indicated:
 - a. Your elected or appointed directors, officers, officials, and members of any boards or commissions, but only with respect to their duties as your directors, officers, officials, or board or commission members.
 - b. Employees of any school district named in the Declarations who hold the position of Superintendent or Assistant Superintendent, Administrator or Assistant Administrator, Principal or Assistant Principal or any equivalent administrative position, but only for acts within the scope of their employment by you.
 - c. Your employees, other than those included in a. and b. above, but only for acts within the scope of their employment by you, or in the case of a *“leased worker,”* while performing duties related to the conduct of your business. However, none of these employees are covered for:
 - (1) *“Bodily injury”* or *“personal injury”* to you; or
 - (2) *“Property damage”* to property owned or occupied by or rented or loaned to that employee, or any of your other employees except *“autos.”*
 - d. Any volunteer other than included in 1., 2., or 3. a., b., or c. above, but only for acts within the scope of the duties assigned by you. However, none of these volunteers are insured for:
 - (1) *“Bodily injury”* or *“personal injury”* to you; or
 - (2) *“Property damage”* to property owned or occupied by or rented or loaned to that volunteer except *“autos.”*
 - e. Any student teacher other than included in 1., 2., or 3. a., b., or c. above, but only for acts within the scope of the duties assigned by you. However, none of these student teachers are insured for:
 - (1) *“Bodily injury”* or *“personal injury”* to you; or
 - (2) *“Property damage”* to property owned or occupied by or rented or loaned to that student teacher except *“autos.”*

B. DEDUCTIBLE

It is agreed that:

1. The deductible amount applies to all damages, sums described as SUPPLEMENTARY PAYMENTS and other costs, expenses and sums with respect to which coverage is provided.
2. Our obligation under any Coverage Section to pay damages or other sums or incur SUPPLEMENTARY PAYMENTS applies only to the amount of such sums in excess of any deductible amount stated in the Declarations as applicable to a Coverage Section. The Limit of Coverage shown in the Declarations for a Coverage Section shall not be reduced by the amount of the deductible.
3. The deductible amount applies on either an each “*occurrence*,” “*each wrongful act*” or each offense basis depending upon which Coverage Section is involved. The amount of the deductible and the basis upon which it applies is indicated in the Declarations.

All injury or damage arising out of continuous or repeated exposure to substantially the same general harmful conditions shall be considered as arising out of one “*occurrence*.” If coverage is provided on a claims-made basis, all “*claims*” arising from a “*wrongful act*” or from repeated or interrelated acts, shall be considered one “*claim*”.

4. The terms of this coverage certificate, including but not limited to those with respect to:
 - a. our rights and duties with respect to the defense of “*suits*” and
 - b. your duties in the event of an “*occurrence*,” “*wrongful act*,” offense, “*claim*,” or “*suit*” apply irrespective of the application of the deductible amount.
5. We will pay any part or all of the deductible amount as SUPPLEMENTARY PAYMENTS to effect settlement of any “*claim*” or “*suit*,” or to pay any judgment or pay any other sum with respect to which coverage is provided. Upon notification of the action taken, you will promptly reimburse us for the deductible amount paid by us.
6. The deductible amount will apply first to SUPPLEMENTARY PAYMENTS. The remaining deductible amount, if any, will then apply to damages and other sums with respect to which coverage is provided.

C. SUPPLEMENTARY PAYMENTS

We will pay with respect to any “*claim*” we investigate or settle or any “*suit*” against an insured we defend:

1. All expenses we incur, including but not limited to attorney fees and other costs of defense.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Coverage Section D applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments in a “*suit*” we defend, but only for bond amounts within the applicable limit of coverage. We do not have to furnish these bonds.
4. Premiums on appeal bonds in any “*suit*” we defend.
5. 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 \$250 a day because of time off from work to attend hearings or trials at our request.
6. All costs taxed against the insured in the “*suit*.”
7. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of coverage, we will not pay any pre-judgment interest based on that period of time after the offer.
8. 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 coverage.

These payments will not reduce the Limits of Coverage unless this clause is specifically amended by the provisions applicable to a particular Coverage Section.

If we defend an insured against a “*suit*” and an indemnitee of the insured is also named as a party to the “*suit*,” we will defend that indemnitee if all of the following conditions are met:

- a. The “*suit*” against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is a “*covered contract*;”
- b. This coverage applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by the insured in the same “*covered contract*;”
- d. The allegations in the “*suit*” and the information we know about the occurrence are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such “*suit*” and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) agrees in writing to:
 - (a) cooperate with us in the investigation, settlement, or defense of the “*suit*”;
 - (b) immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the “*suit*”;
 - (c) notify any other insurer whose coverage is available to the indemnitee;
 - (d) cooperate with us with respect to coordinating other applicable Insurance available to the indemnitee; and
 - (2) provides us with written authorization to:
 - (a) obtain records and other information related to the “*suit*”;
 - (b) conduct and control the defense of the indemnitee in such “*suit*”.

So long as the above conditions are met, attorneys’ fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us, and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of paragraph 2.b.(2) of Coverage Section A. General Liability and paragraph 2.a.(4) of Coverage Section B. Personal Injury and Advertising Injury, such payments will not be deemed to be damages for “*bodily injury*” and “*property damage*” and will not reduce the limits of coverage.

Our obligation to defend an insured’s indemnitee and to pay for attorneys fees and necessary litigation expenses as Supplementary Payments ends when:

- 1. We have used up the applicable limit of coverage in the payments of judgments or settlements; or
- 2. The conditions set forth above, or the terms of the agreement described in paragraph f. above are no longer met.

D. GENERAL EXCLUSIONS

The coverage provided under this coverage certificate does not apply to:

1. Aircraft and Watercraft

“*Bodily injury*” or “*property damage*” arising out of the ownership, maintenance, use, or entrustment to others of any aircraft, other than an “*unmanned aircraft system*”, or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and “*loading or unloading*”.

This exclusion does not apply to:

- a. A watercraft while ashore on premises you own or rent; or

- b. A watercraft that is:
 - (1) Less than 50 feet long; and
 - (2) Not being used to carry persons or property for a charge.

2. Asbestos

- a. “*Bodily injury*,” “*property damage*,” “*personal injury*,” “*advertising injury*,” or any other injury, damage, or loss of any nature or kind arising out of, based upon, or attributable to the “*asbestos hazard*.”
- b. Any loss, cost, or expense arising out of any action taken by you or others to comply with requirements imposed by law by reason of the “*asbestos hazard*.”

3. Auto and Mobile Equipment Stunting Activity

“*Bodily injury*” or “*property damage*” arising out of the use of an “*auto*” or “*mobile equipment*” in, or while in practice or preparation for, a prearranged racing, speed, or demolition contest or in any stunting activity.

However, this exclusion does not apply to “*bodily injury*” or “*property damage*” arising out of the use of an “*auto*” while participating in any transit, snowplow, or fire apparatus rodeo. Transit, snowplow, or fire apparatus rodeo means a driver or firefighter course event that is authorized by you.

4. Aviation Operations or Airports

Any liability arising out of general aviation operations at or from any airports you own or operate, but this exclusion does not apply to:

- a. “*law enforcement*;”
- b. sanitation services; and
- c. other incidental non-aviation operations.

5. Employer's Liability

“*Bodily injury*” to:

- a. An employee of the insured arising out of and in the course of employment by the insured; or
- b. The spouse, child, parent, brother, or sister of that employee as a consequence of a. above.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by you under a “*covered contract*.”

6. Failure to Supply Water, Gas, Electricity

Injury, damage, loss or damages claimed as a result of your failure to supply water, gas, or electricity or your failure to supply sufficient water, gas, or electricity to meet demand. However, we won’t apply this exclusion if the failure to supply results from sudden and accidental damage to tangible property, other than damage to any utility pole, owned or used by you to obtain, produce, process, or transmit such service.

7. Fungi, bacteria, wet or dry rot

- a. “*Bodily injury*” or *property damage*” which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any “*fungi, bacteria, wet or dry rot*” on or within a building or structure including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, remediating or disposing, or in any way responding to, or assessing the effects of, “*fungi, bacteria, wet or dry rot*” by any insured or by any other person or entity.

8. Health Care Facilities

Liability arising out of health care facilities, except with respect to the operation of your schools, mental health department, public health department, and emergency medical operations.

9. Health Care Services

“*Bodily injury*” or “*personal injury*” arising out of the providing of or failing to provide “*health care professional services*”. However, this exclusion does not apply to the operation of your schools, mental health department, public health department, or emergency medical personnel, as long as they are not physicians or independent contractors.

10. Inverse Condemnation

A “*claim*” for or arising from inverse condemnation, adverse possession, dedication by adverse use, or property devaluation.

11. Joint Ventures

Liability arising out of the conduct of any past, present, or future partnership or joint venture of which you were, are, or shall become a partner or member unless we have specifically agreed to provide such coverage by addendum to this coverage certificate, except that this exclusion does not apply to mutual aid agreements.

12. Nuclear Energy

Nuclear Energy Liability Exclusion (Broad Form)

It is agreed that:

- a. The coverage certificate does not apply:
 - (1) Under any Coverage Section, to “*bodily injury*” or “*property damage*”
 - (a) With respect to which an insured under this coverage certificate is also an insured under a nuclear energy liability coverage certificate issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its Limit of Coverage; or
 - (b) Resulting from the hazardous properties of nuclear material and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is or, had this coverage certificate not been issued, would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - (2) Under Coverage Section C, or under any Supplementary Payments provision relating to first aid, to expenses incurred with respect to “*bodily injury*” resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
 - (3) Under any Coverage Section, to “*bodily injury*” or “*property damage*” resulting from the hazardous properties of nuclear material if
 - (a) The nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;

- (b) The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported, or disposed of by or on behalf of an insured; or
 - (c) The “*bodily injury*” or “*property damage*” arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation, or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions, or Canada this subparagraph (c) applies only to “*property damage*” to such nuclear facility and any property thereat.
- b. As used in this exclusion:
- (1) “*Hazardous properties*” include radioactive, toxic, or explosive properties;
 - (2) “*Nuclear material*” means source material, special nuclear material, or byproduct material;
 - (3) “*Source material*,” “*special nuclear material*,” and “*byproduct material*” have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
 - (4) “*Spent fuel*” means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;
 - (5) “*Waste*” means any waste material (a) containing byproduct material and (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (1) or (2) thereof;
 - (6) “*Nuclear facility*” means:
 - (a) Any nuclear reactor;
 - (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing, or packaging waste;
 - (c) Any equipment or device used for the processing, fabricating, or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - (d) Any structure, basin, excavation, premises, or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

- (7) “*Nuclear reactor*” means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- (8) “*Property damage*” includes all forms of radioactive contamination of property.

13. Pollution

“*Bodily injury*”, “*property damage*”, “*personal injury*”, “*advertising injury*”, medical expense or any other injury, damage, or loss of any nature or kind arising out of, based upon, or attributable to the “*pollution hazard*” at, on, in, or from any:

- a. Insured’s premises. For the purpose of this exclusion, insured’s premises means any premises, site, or location that is or was at any time owned, rented, leased, borrowed, or occupied by any insured. But we won’t consider a premises, site, or location that isn’t owned, rented, leased or borrowed, or occupied by any insured to be an insured’s premises in connection with pollution that results from any insured’s work being performed there;
- b. Waste sites. For the purpose of this exclusion, waste site means any premises, site, or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing, or treatment of waste.
- c. Insured’s work site. For the purpose of this exclusion, insured’s work site means any premises, site, or location at, on, or in which work is being performed by or for any insured when the pollution involves a pollutant that is brought to, on, or in such premises, site, or location by or for any insured in connection with such work or the work being performed is pollution work.

14. Pollution Work Loss, Cost, or Expense

Any loss, cost, or expense arising out of:

- (a) Any request, demand, or order that any insured or others perform pollution work; or
- (b) Any “*claim*” or “*suit*” by or for governmental authority for damages that result from the performance of pollution work.

Pollution work means to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize any pollutants, or to respond to, or assess, in any way the effects of any pollutant.

This exclusion does not apply to amounts any insured is legally required to pay as covered pollution cost or expense that arises from an “*auto*” accident which also causes “*bodily injury*” or “*property damage*” covered by Coverage Section D. Bodily Injury and Property Damage (“*Auto*” Liability).

15. War

“Bodily injury” or *“property damage”* due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion, or revolution.

16. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits, or unemployment compensation law or any similar law.

17. Punitive Damages

Any claim for or award of punitive, exemplary or multiple damages against any insured on any basis and under any legal authority.

18. “Unmanned Aircraft System”

“Bodily injury”, *“personal injury”*, *“advertising injury”*, or *“property damage”* arising out of the ownership, maintenance, use, or entrustment to others of any *“unmanned aircraft system”*.

E. GENERAL CONDITIONS

1. Bankruptcy

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

2. Canceling or Non-Renewing Coverage Under This Coverage certificate During the “Coverage Period”

- a. The “*insured*” shown in the Declarations may cancel this coverage certificate at any time by mailing or delivering to CIRMA advance written notice of cancellation.
- b. Cancellation of policies in effect for less than 60 days.
 - (1) If this coverage certificate has been in effect for less than 60 days and is not a renewal of a coverage certificate issued by CIRMA, CIRMA may cancel this coverage certificate for any reason by giving you written notice of cancellation at least:
 - (a) 10 days before the effective date of cancellation if CIRMA cancels for non-payment of premium; or
 - (b) 30 days before the effective date of cancellation if CIRMA cancels for any other reason.
 - (2) Unless cancellation is for non-payment of premium, notice of cancellation will state the reasons for cancellation.
- c. Cancellation of policies in effect for 60 days or more.
 - (1) If this coverage certificate has been in effect for 60 days or more, or this is a renewal of a coverage certificate issued by CIRMA, CIRMA may cancel this coverage certificate by giving you written notice of cancellation at least:
 - (a) 10 days before the effective date of cancellation if CIRMA cancels for one or more of the following reasons:
 - (i) Non-payment of premium;
 - (ii) Conviction of a crime arising out of acts increasing the hazard insured against;
 - (iii) Discovery of fraud or material misrepresentation by the “*insured*” in obtaining the coverage certificate or in perfecting any “*claim*” under the coverage certificate;
 - (iv) Discovery of any willful or reckless act or omission by the “*insured*” increasing the hazard insured against; or
 - (v) A determination by the Insurance Commissioner that continuation of the coverage certificate would violate, or place CIRMA in violation of, the law; or

- (b) 90 days before the effective date of cancellation if CIRMA cancels for one or more of the following reasons:
 - (i) Physical changes in the property which increase the hazard insured against;
 - (ii) A material increase in the hazard insured against; or
 - (iii) A substantial loss of reinsurance by CIRMA affecting these particular lines of coverage.
 - (2) CIRMA may not cancel policies in effect for 60 days or more or renewal policies for any reason other than the reasons described in Paragraph c(1) above.
 - (3) Unless cancellation is for non-payment of premium, notice of cancellation will state the reasons for cancellation.
- d. If CIRMA cancels for non-payment of premium, the “insured” may continue the coverage and avoid the effect of the cancellation by payment in full at any time prior to the effective date of cancellation.
- e. Notice of Cancellation will state the effective date of cancellation. The “coverage period” will end on that date.
- f. Non-renewal
 - (1) If CIRMA decides not to renew this coverage certificate, CIRMA will send notice of non-renewal at least 60 days before the expiration date of this coverage certificate.
 - (a) This notice will include the specific reason for non-renewal.
 - (b) CIRMA doesn’t have to send such notice if CIRMA is not renewing because the “insured” failed to pay the premium.
 - (2) If CIRMA decides not to renew Employee Benefits Liability, Law Enforcement Liability, Public Officials Liability, or School Leaders Liability, CIRMA will send 90 days notice of non-renewal.
- g. Notice of cancellation will be sent or delivered by:
 - (1) Registered Mail;
 - (2) Certified Mail; or
 - (3) Mail evidenced by a United States Post Office certificate of mailing.
- h. We will give notice to the “insured” at the last mailing address known to the “Company.”
- i. If notice is mailed, proof of mailing will be sufficient proof of notice.
- j. If we cancel or non-renew this coverage certificate, we’ll send you the claim and premium information described below along with our notice of cancellation or non-renewal. We will provide a maximum of four years of

information from the date of the “insured’s” request for such information. The information that will be provided includes:

- (1) Coverage certificate number;
- (2) Beginning and ending dates;
- (3) A copy of proof that this information was provided as required by law;
- (4) The total amount of premium paid;
- (5) Number of claims;
- (6) Total of all paid losses; and
- (7) Date of each loss.
- (8) If your coverage certificate provides coverage under Coverage Sections III A., B., C., or D., CIRMA will also provide pricing information as specified by the insurance regulation of the State of Connecticut.
 - (a) If coverage under Coverage Sections III A., B., C., or D. is cancelled for non-payment of premium, conviction of a crime, fraud or material misrepresentation, willful or reckless act or omission, or determination by the Insurance Commissioner, the “Company” will provide this information by written report within 30 days of receiving the “insured’s” written request for this information.
 - (b) If coverage under Coverage Sections III A., B., C., or D. is cancelled for any other reason not stated in h(i), CIRMA will provide this information to the “insured” or the “insured’s” authorized agent no later than the date of notice of cancellation or non-renewal.
 - (c) If further reports are required to provide sufficient information to rate or obtain insurance with a different insurer, such reports will be furnished within 30 days of a written request by the “insured” or the “insureds” authorized representative.
- k. If this coverage certificate is cancelled, CIRMA will send the “insured” any premium refund due. If CIRMA cancels, the refund will be prorata. If the “insured” cancels, the refund will be short rated. The cancellation will be effective even if CIRMA has not made or offered a refund. Notice of cancellation will state that the excess premium (if not tendered) will be refunded on demand.

3. Changes

This coverage certificate contains all the agreements between you and us. Its terms may not be changed or waived except by Endorsement issued by us. If a change requires a premium adjustment, we will adjust the premium as of the effective date of change.

4. Duties in the event of “occurrences,” “wrongful act,” act, error, omission or other circumstances which may give rise to a “claim” or “suit.”

- a. You must see to it that we are notified promptly of an “occurrence,” “wrongful act,” act, error, omission, or other circumstance that may result in a “claim”. Notice should include:
 - (1) How, when, and where the “occurrence,” “wrongful act,” act, error, omission, or other circumstance took place; and
 - (2) The names and addresses of any injured persons and witnesses.
- b. If a “claim” is made or “suit” brought against any insured, you must see to it that we receive prompt written notice of the “claim” or “suit.”
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summons, or legal papers received in connection with the “claim” or “suit;”
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation and/or settlement and/or defense of the “claim” and/or defense against the “suit;”
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this coverage may also apply;
 - (5) Submit at our expense and as often as we require to physical examinations by physicians we select; and
 - (6) Authorize us to obtain medical reports and other pertinent medical information.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

For the purpose of this section, the terms we, our, or us refers to CIRMA or it's Service Provider.

5. Inspection And Surveys

At our option we may inspect or make surveys of your property and operations at any time. We may give reports on the conditions found and recommend changes. These inspections are for our benefit only and relate only to our willingness to

offer you coverage and the premiums that will be charged. By our right to inspect or by our making any inspection we make no representation that your property or operations are safe, not harmful to health or comply with any laws, rules, regulations, codes, or standards. We do not make safety inspections nor do we perform the duty of any person or organization to provide for the health or safety of workers or the public.

For the purpose of this section, the terms we or us refer to CIRMA or its Service Provider.

6. Legal Action Against Us

No person or organization has a right under this coverage certificate to:

- a. Join us as a party or otherwise bring us into a “*suit*” asking for damages from an insured; or
- b. Sue us on this coverage certificate 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 obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this coverage certificate or that are in excess of the applicable limit of coverage. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

7. Other Insurance

The coverage provided by this coverage certificate is primary except when a., b., or c. below applies.

- a. For any covered “auto” you don’t own, the coverage provided by this coverage certificate is excess over any collectible insurance. However, while a covered “auto” that is a “trailer” is connected to another vehicle, the liability coverage provided by this coverage certificate provides for the “trailer”:
 - (1) Is excess while it is connected to a motor vehicle you don't own.
 - (2) Is primary while it is connected to a covered “auto” you own.
- b. Excess Insurance

Unless such other insurance is specifically in excess of the coverage afforded by this coverage certificate, this coverage is excess over any of the other insurance, whether primary, excess, contingent, or on any other basis, and shall not contribute with such other insurance.

When this coverage is excess, we will have no duty to defend any “*claim*” or “*suit*” that any other insurer has a duty to defend. If no other insurer defends,

we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

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

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

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Coverage shown in the Declarations.

c. **Method of Sharing**

If we should become obligated to share with other insurance, and if such other insurance permits premium by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit premium by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Representations

By accepting this coverage certificate you agree that:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this coverage certificate in reliance upon your representations.

Any unintentional error or omission made by the insured shall not void or impair the coverage hereunder provided the "*insured*" reports such error or omission as soon as reasonably possible after discovery.

9. Separation Of Insureds

Except with respect to the Limits of Coverage, and any rights or duties specifically assigned to you in this coverage certificate, this coverage applies:

- a. As if each entity named in the Declarations were the only entity named in the Declarations; and

- b. Separately to each insured against whom “*claim*” is made or “*suit*” is brought.

10. Subrogation

- a. Any rights any insured may have to recover all or part of any payment we have made under any Coverage Section are transferred to us. The insured must do nothing after loss to impair them. At our request, you will bring “*suit*” and help us enforce these rights.

Any amount recovered, less than the cost of obtaining such recovery, will be apportioned as follows:

- (1) Any interest, including you, that has paid any amount with respect to liability in excess of our limit of liability under this coverage certificate will be reimbursed first from the recovered amount.
- (2) We will then be reimbursed for any amounts we paid under the provisions of this coverage certificate. If any other interest, including you, contributed to any portion of a loss we paid under the provisions of the Other Insurance section of this coverage certificate or any other written sharing agreement, such interest will be reimbursed in the same proportion as their premium to the loss payment bore to the total loss payment.
- (3) Any remaining amount will be paid to you.
- (4) If, at our discretion, we try to obtain a recovery and no amount is recovered we will pay all the expenses.
- (5) A different apportionment may be made to effect settlement of a “*claim*”.

11. Transfer Of Your Interest In This Coverage certificate

Your rights and duties under this coverage certificate may not be assigned without our written consent.

12. State Law

Any part of this coverage certificate that conflicts with state law is automatically changed to conform with the law.

13. Assessment

At any time that the losses and expenses of the Pool with respect to any Pool coverage year (July 1 through June 30) exceed the sum of the contributions with respect to that year and income earned on such contributions, or upon other condition considered by us to require an assessment, we, by vote of our Board of Directors, may assess you for an additional contribution to the Pool. Such assessment shall not exceed 30% of your contribution to the pool for the year with respect to which the assessment is made. In making assessments we may make reasonable distinctions among members on the basis of loss experience and differences as to the lines of coverage in which they participated in the year with respect to which the assessment is made. We may assess you with respect to a Pool coverage year during which you were a member of the Pool whether or not you are a member at the time of the assessment.

III. LIABILITY COVERAGE SECTIONS

Coverage is only afforded if a Limit of Coverage is shown in the Declarations.

A. COVERAGE SECTION A.

BODILY INJURY AND PROPERTY DAMAGE LIABILITY (GENERAL LIABILITY)

1. Coverage Agreement

- a. We will pay, on behalf of the insured, all sums that the insured becomes legally obligated to pay as damages because of “*bodily injury*” or “*property damage*” to which this Coverage Section applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. This coverage applies only to “*bodily injury*” and “*property damage*” which occurs during the “*coverage period*.” The “*bodily injury*” or “*property damage*” must be caused by an “*occurrence*.” The “*occurrence*” must take place in the “*coverage territory*.” We will have the right and duty to defend any “*suit*” seeking those damages even if any of the allegations of the “*suit*” are groundless, false, or fraudulent. But:
 - (1) The amount we will pay for damages is limited as described in Limits of Coverage;
 - (2) We may investigate and settle any “*claim*” or “*suit*” at our discretion;
 - (3) Our right and duty to defend ends when we have used up the applicable Limit of Coverage in the payment of judgments or settlements;
 - (4) We will have no duty to defend the insured against any “*suit*” seeking damages for “*bodily injury*” or “*property damage*” to which this insurance does not apply.
- b. Damages because of “*bodily injury*” include damages claimed by any person or organization for care, loss of services, or death resulting at any time from “*bodily injury*.”
- c. “*Property damage*” that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the “*occurrence*” that caused it.

2. Special Exclusions

This Coverage Section does not apply to:

a. Automobile Liability

“Bodily injury” or “property damage” arising out of the ownership, maintenance, use, or entrustment to others of any “auto” owned or operated by or rented or loaned to any insured. Use includes operation and “loading or unloading.”

This exclusion does not apply to:

- (1) the parking of an *“auto”* on, or on the ways next to premises you own or rent, provided the *“auto”* is not owned by or rented or loaned to you or the insured. The term premises does not include roads you own;
- (2) *“non-owned autos”* owned by others when used as part of your *“garage operations.”*

b. Contractual Liability

“Bodily injury” or “property damage” for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is a *“covered contract,”* provided that the *“bodily injury” or “property damage”* occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in a *“covered contract,”* reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of *“bodily injury” or “property damages,”* provided;
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same *“covered contract”*; and
 - (b) Such attorney fees and litigation expenses are for the defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this coverage applies are alleged.
- (2) That the insured would have in the absence of the contract or agreement.

c. Damage to *“Impaired Property”* or Property not Physically Injured

“Property damage” to “impaired property” or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy, or dangerous condition in *“your product” or “your work;”* or

- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to “*your product*” or “*your work*” after it has been put to its intended use.

d. Damage to Property

“*Property damage*” to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away, or abandon, if the “*property damage*” arises out of any part of those premises;
- (3) Property loaned to you, except property loaned to you by another political entity;
- (4) Personal property in your care, custody, or control, except property loaned to you by another political entity;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the “*property damage*” arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired, or replaced because “*your work*” was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are “*your work*” and were never occupied, rented, or held for rental by you.

Paragraphs (3), (4), (5), and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (4) and (6) do not apply to “*garage operations*”.

Paragraph (6) of this exclusion does not apply to “*property damage*” included in the “*products-completed operations hazard*.”

e. Damage to “Your Product”

“*Property damage*” to “*your product*” arising out of it or any part of it.

f. Damage to “Your Work”

“*Property damage*” to “*your work*” arising out of it or any part of it and included in the “*products-completed operations hazard*.”

This exclusion does not apply if the damaged work or the work out of which the “*property damage*” arises was performed on your behalf by a subcontractor.

g. Downhill Ski Facilities

“Bodily injury” or *“property damage”* arising out of downhill ski facilities or operations.

h. Expected or Intended Injury

“Bodily injury” or *“property damage”* expected or intended from the standpoint of the insured. This exclusion does not apply to:

- (1) *“Bodily injury”* or *“Property damage”* resulting from the use of reasonable force to protect persons or property.
- (2) Corporal punishment to any student or pupil administered by or at the direction of any insured.

i. Law Enforcement

“Bodily injury” or *“property damage”* arising out of *“law enforcement”* or other matters with respect to which coverage is provided under Coverage Section G. Law Enforcement Liability. However, this exclusion does not apply to an *“occurrence”* arising out of the ownership, maintenance, operation, use, loading or unloading of *“mobile equipment”* or to an *“occurrence”* arising out of the physical condition of any premises (or part thereof) owned by you or in your possession or control.

j. Mobile Equipment

“Bodily injury” or *“property damage”* arising out of the transportation of *“mobile equipment”* by an *“auto”* owned or operated by or rented or loaned to any insured.

k. Recall of Products, Work, or “Impaired Property”

Damages claimed for any loss, cost, or expense, incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of:

- (1) *“Your product;”*
- (2) *“Your work;”* or
- (3) *“Impaired property.”*

If such product, work, or property is withdrawn or recalled from the market or from use by any person, organization, government agency, or regulatory authority because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

Fire Damage Liability

Exclusions d. through f. do not apply to damage by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner.

A separate sublimit of coverage applies to this coverage as described in Limits of Coverage.

3. Who Is An Insured

In addition to those who are designated in the GENERAL TERMS AND CONDITIONS as insured for coverage under this Coverage Section, the following are also an insured:

- a. Any person (other than your employee), or any organization while acting as your real estate manager.
- b. With respect to your “*mobile equipment*” any person is an insured while driving such equipment with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the “*mobile equipment*,” and only if no other insurance of any kind is available for this liability. However, no person or organization is an insured with respect to “*property damage*” to property owned by, rented to, in the charge of, or occupied by you or the employer of any person who is an insured under this provision.
- c. Any person who is a landlord, but only with respect to “*bodily injury*” or “*property damage*” resulting from the ownership, maintenance, or use of the premises rented, leased, or loaned to the insured. However, the landlord is not an insured as respects “*bodily injury*” or “*property damage*” resulting from any of the following while being done by or for the landlord on or to the premises rented, leased, or loaned to the insured:
 - (1) Structural changes.
 - (2) New construction work.
 - (3) Demolition work.Landlord means the owner, lessor, or manager of a premises.
- d. Any person who is an equipment lessor, but only with respect to “*bodily injury*” or “*property damage*” resulting from insured’s maintenance, operation, or use of equipment they lease to you. However, the equipment lessor is not an insured as respects “*bodily injury*” or “*property damage*” resulting from their sole negligence or for “*bodily injury*” or “*property damage*” resulting from any “*occurrence*” that happens after the equipment lease ends.
- e. Any person who is a mortgagee, assignee, or receiver, but only with respect to “*bodily injury*” or “*property damage*” arising out of the ownership, maintenance, or use of a premises owned by you. However, the mortgagee, assignee, or receiver is not an insured as respects “*bodily injury*” or “*property*

damage” resulting from any of the following while being done by or for the mortgagee, assignee, or receiver:

- (1) Structural changes.
 - (2) New construction work.
 - (3) Demolition work.
- f. As respects covered watercraft, any person or organization who uses or is responsible for the use of covered watercraft you own or use, but only with respect to “*bodily injury*” or “*property damage*” that results from the use of such watercraft with your permission.
- g. Any person or organization who uses or is legally responsible for the use of golf-mobiles which you or your concessionaires loan or rent to others, but only for “*bodily injury*” or “*property damage*” that results from the use of golf-mobiles.

4. Limits Of Coverage

- a. The Limits of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
- (1) Insureds;
 - (2) “*Claims*” made or “*suits*” brought; or
 - (3) Persons or organizations making “*claims*” or bringing “*suits*.”
- b. The Limit of Coverage shown in the Declarations as Aggregate is the most we will pay for the sum of all damages:
- (1) Because of all “*bodily injury*,” “*property damage*,” fire damage liability, limited care, custody, and control, under this Coverage Section, and “*personal injury*” and “*advertising injury*” under Coverage Section B., and all medical expenses under Coverage Section C. that occur in the “*coverage period*,” and separately;
 - (2) Because of all injury or damage included in the “*products-completed operations hazard*” that occur in the “*coverage period*.”

If the Aggregate limit is used up by the payment of “*claims* or “*suits*,” the aggregate limit will be reinstated once during the “*coverage period*” at no additional premium charge.

- c. Subject to b. above the each “*occurrence*” limit shown in the Declarations is the most we will pay including payment of medical expenses under Coverage Section C., for the sum of all damages because of all injury and damage arising out of one “*occurrence*.”

- d. All “*bodily injury*” and “*property damage*” arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one “*occurrence*.”

e. **Fire Damage Liability**

Subject to the above, with respect to fire and explosion damage to premises rented to you or temporarily occupied by you with permission of the owner, the Fire Damage Limit shown in the Declarations is the most we will pay under Coverage Section A for damages because of “*property damage*” to premises rented to you or temporarily occupied by you with permission of the owner, arising out of any one fire or explosion.

f. **Limited Care, Custody, and Control**

Subject to a., b., c., and d. above, the Limited Care, Custody, and Control Sublimit shown in the Declarations is the most we will pay with respect to “*property damage*” to personal property loaned to you by another political entity while such property is in your care, custody, or control.

The Limits of this Coverage Section apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the “*coverage period*” shown in the Declarations, unless the “*coverage 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 Coverage.

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~~B. COVERAGE SECTION B.~~

~~PERSONAL INJURY AND ADVERTISING INJURY LIABILITY~~

~~Coverage is only afforded if a Limit of Coverage is shown in the Declarations.~~

~~1. Coverage Agreement~~

~~a. We will pay on behalf of the insured all sums that the insured becomes legally obligated to pay as damages because of “personal injury” or “advertising injury” to which this coverage applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. We will have the right and duty to defend any “suit” seeking those damages even if any of the allegations of the “suit” are groundless, false, or fraudulent. But:~~

- ~~(1) The amount we will pay for damages is limited as described in the Limits of Coverage;~~
- ~~(2) We may investigate and settle any “claim” or “suit” at our discretion;~~
- ~~(3) Our right and duty to defend ends when we have used up the applicable Limits of Coverage in the payment of judgments or settlements;~~
- ~~(4) We will have no duty to defend the insured against any “suit” seeking damages for “personal injury” or “advertising injury” to which this insurance does not apply.~~

~~b. This coverage applies to “personal injury” only if caused by an offense:~~

- ~~(1) Committed in the “coverage territory” during the “coverage period;” and~~
- ~~(2) Arising out of the conduct of your business, excluding advertising, publishing, broadcasting, or telecasting done by or for you.~~

~~c. This coverage applies to “advertising injury” only if caused by an offense committed:~~

- ~~(1) In the “coverage territory” during the “coverage period;” and~~
- ~~(2) In the course of advertising your goods, products, or services.~~

~~2. Special Exclusions~~

~~This coverage does not apply to:~~

- ~~a. “Personal injury” or “advertising injury.”~~
 - ~~(1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;~~
 - ~~(2) Arising out of oral or written publication of material whose first publication took place before the beginning of the “coverage period;”~~

~~_____ (3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured;~~

~~_____ (4) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages:~~

~~_____ (a) Assumed by you in a contract or agreement that is a "covered contract," provided that the "personal injury" or "advertising injury" occurs subsequent to the executive of the contract or agreement. Solely for the purposes of liability assumed in a "covered contract," reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal injury" or "advertising injury," provided:~~

~~_____ (i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "covered contract"; and~~

~~_____ (ii) Such attorney fees and litigation expenses are for the defense of that party against a civil or alternative dispute resolution proceeding in which this coverage applies are alleged.~~

~~_____ (b) That the insured would have in the absence of the contract or agreement.~~

~~_____ (5) Arising out of "law enforcement."~~

~~_____ b. "Advertising injury" arising out of:~~

~~_____ (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;~~

~~_____ (2) The failure of goods, products, or services to conform with advertised quality or performance;~~

~~_____ (3) The wrong description of the price of goods, products, or services; or~~

~~_____ (4) An offense committed by an insured whose business is advertising, broadcasting, publishing, or telecasting.~~

~~_____ c. "Claims" or "suits" arising out of your "employment related practices."~~

~~_____ 3. Who Is An Insured~~

~~In addition to those who are designated in the GENERAL TERMS AND CONDITIONS as insured for coverage under this Coverage Section, any person (other than your employee), or any organization while acting as your real estate manager is also an insured.~~

~~_____~~ **4. Limits Of Coverage**

~~_____~~ a. Subject to the Limits of Coverage provision 4.b.1. of COVERAGE SECTION A., the Limits of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- ~~_____~~ (1) Insureds;
- ~~_____~~ (2) “*Claims*” made or “*suits*” brought; or
- ~~_____~~ (3) Persons or organizations making “*claims*” or bringing “*suits.*”

~~_____~~ b. The Personal and Advertising Injury Limit shown in the Declarations as each offense is the most we will pay under Coverage Section B for the sum of all damages because of all “*personal injury*” and all “*advertising injury*” sustained by any person and organization during the “*coverage period.*”

The Limits of Coverage apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the “*coverage period*” shown in the Declarations, unless the “*coverage 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 Coverage.

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~~C. COVERAGE SECTION C.~~

~~MEDICAL PAYMENTS~~

~~Coverage is only afforded if a Limit of Coverage is shown in the Declarations.~~

~~1. Coverage Agreement~~

~~a. We will pay medical expenses as described below for “bodily injury” caused by an “occurrence”:~~

- ~~(1) On premises you own or rent;~~
- ~~(2) On ways next to premises you own or rent; or~~
- ~~(3) Because of your operations, including operation of a covered “auto,” provided that:~~

~~(a) The “bodily injury” takes place in the “coverage territory” and during the “coverage period”;~~

~~(b) The expenses are incurred and reported to us within one year of the date of the “bodily injury”; and~~

~~(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.~~

~~b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of coverage. We will pay reasonable expenses for:~~

- ~~(1) First aid administered at the time the “bodily injury” commenced;~~
- ~~(2) Necessary medical, surgical, x-ray, and dental services, including prosthetic devices; and~~
- ~~(3) Necessary ambulance, hospital, professional nursing, and funeral services.~~

~~2. Special Exclusions~~

~~We will not pay expenses for “bodily injury:”~~

- ~~a. To any insured, except a volunteer~~
- ~~b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.~~
- ~~c. To a person injured on that part of premises you own or rent that the person normally occupies.~~
- ~~d. To a person, whether or not an employee of any insured, if benefits for the “bodily injury” are payable or must be provided under a workers’ compensation or disability benefits law or a similar law.~~

~~_____ e. To a person injured while taking part in “organized athletic activities” or other athletics. This exclusion does not apply to physical education classes at schools.~~

~~_____ f. Included within the “products completed operations hazard.”~~

~~_____ g. Excluded under Coverage Section A.~~

~~_____ **3. Limits of Coverage**~~

~~_____ a. Subject to the Limits of Coverage provisions of Coverage Section A, the Limit of Coverage shown in the Declarations as each person fix the most we will pay for medical expenses because of “bodily injury” to each person.~~

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~~D. COVERAGE SECTION D~~

~~**BODILY INJURY AND PROPERTY DAMAGE LIABILITY (“AUTO”
LIABILITY)**~~

~~Coverage is only afforded if a Limit of Coverage is shown in the Declarations.~~

~~**1. Coverage Agreement**~~

~~a. We will pay on behalf of the insured all sums that the insured becomes legally obligated to pay because of “bodily injury” or “property damage” to which this Coverage Section applies, and resulting from the ownership, maintenance, or use including the “loading or unloading” of a covered “auto.” No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. This coverage applies only to “bodily injury” and “property damage” which occurs during the “coverage period.” The “bodily injury” or “property damage” must be caused by an “occurrence.” The “occurrence” must take place in the “coverage territory.” We will have the right and duty to defend any “suit” seeking those damages even if any of the allegations of the “suit” are groundless, false, or fraudulent. But:~~

~~(1) The amount we will pay for damages is limited as described in LIMITS OF COVERAGE;~~

~~(2) We may investigate and settle any “claim” or “suit” at our discretion;~~

~~(3) Our right and duty to defend end when we have used up the applicable Limits of Coverage in the payment of judgments or settlements.~~

~~b. Damages because of “bodily injury” include damages claimed by any person or organization for care, loss of services, or death resulting at any time from “bodily injury.”~~

~~c. “Property damage” that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the “occurrence” that caused it.~~

~~**2. Special Exclusions**~~

~~This Coverage Section does not apply to:~~

~~**a. Care, Custody, or Control**~~

~~“Property damage” to:~~

~~(1) Property you own or rent;~~

~~(2) Property loaned to you, being transported by you, or in your care, custody, or control except property loaned to you by another political entity.~~

However, this exclusion does not apply to ~~“property damage” to a residence or private garage caused by covered “auto” of the private passenger type.~~

~~_____~~ **b. Contractual Liability**

~~“Bodily injury” or “property damage” for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement except liability assumed under a contract or agreement that is a “covered contract.”~~

~~_____~~ **c. Employee Injury**

~~“Bodily injury” to an employee of the insured arising out of and in the course of employment by the insured or while performing duties related to the conduct of your business. We will nevertheless cover “bodily injury” caused by your employee to his fellow employee.~~

~~_____~~ **d. Expected or Intended Injury**

~~“Bodily injury” or “property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property.~~

However, this exclusion does not apply to ~~“bodily injury” or “property damage”~~ resulting from an employee while performing their duties and acting within the scope of their employment, unless such ~~“bodily injury” or “property damage”~~ is the result of any willful or wanton act of such employee in the performance of such duty.

~~_____~~ **e. Handling of Property**

~~“Bodily injury” or “property damage” resulting from the handling of property:~~

~~_____~~ (1) Before it is moved from the place where it is accepted by the insured for movement into or onto the covered ~~“auto;”~~ or

~~_____~~ (2) After it is moved from the covered ~~“auto”~~ to the place where it is finally delivered by the insured.

~~_____~~ **f. Movement of Property**

~~“Bodily injury” or “property damage” resulting from the movement of property by a mechanical device (other than a hand truck) not attached to the covered “auto.”~~

~~g. Pollution~~

~~“Bodily injury” or “property damage” arising out of the “pollution hazard”. This exclusion does not apply if the discharge, dispersal, migration, release, escape, or seepage of pollutants is sudden and accidental.~~

~~3. Who Is An Insured~~

~~In addition to those who are designated in the GENERAL TERMS AND CONDITIONS as insured for coverage under this Coverage Section, the following are also an insured:~~

~~a. Anyone else is an insured while using, with your permission, a covered “auto” you own, hire, or borrow, except:~~

~~(1) The owner of a covered “hired auto” or a member of his or her household.~~

~~(2) Someone using a covered “auto” while he or she is working in a business of selling, servicing, repairing, or parking “autos” unless that business is yours.~~

~~(3) Anyone other than your employees, a lessee or borrower, or any of their employees while moving property to or from a covered “auto.”~~

~~b. The owner of a commandeered auto while the commandeered auto is in your temporary care, custody, or control. A commandeered auto is an auto that you commandeer, or take with or without permission, for the purpose of performing emergency operations, such as firefighting or law enforcement activities.~~

~~Anyone liable for the conduct of an insured described above is an insured but only to the extent of that liability. However, the owner or anyone else from whom you hire or borrow a covered “auto” is an insured only if that “auto” is a “trailer” connected to a covered “auto” you own.~~

~~Which “Autos” Are Covered “Autos”~~

~~Any “auto” that is owned, hired, borrowed, a “non owned auto”, or otherwise utilized by the Named Insured, including “mobile equipment” while being carried or towed by a covered “auto.”~~

~~5. Limits Of Coverage~~

~~a. The Limits of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:~~

- ~~_____ (1) Insureds;~~
- ~~_____ (2) "Claims" made or "suits" brought;~~
- ~~_____ (3) Persons or organizations making "claims" or bringing "suits;" or~~
- ~~_____ (4) Number of covered "autos" or "autos" involved in the "occurrence."~~

~~_____ b. The most we will pay for the sum of all damages because of all injury or damage arising out of one "occurrence" is the limit shown in the Declarations as applicable to each "occurrence."~~

~~_____ c. All "bodily injury" and "property damage" arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising from one "occurrence."~~

~~_____ d. While a covered "auto" is away from the state where it is licensed we will:~~

~~_____ (1) Increase this coverage certificate's liability limits to meet those specified by a compulsory or financial responsibility law in the jurisdiction where the covered "auto" is being used.~~

~~_____ (2) Provide the minimum amounts and types of other coverages required of out of state vehicles by the jurisdiction where the covered "auto" is being used.~~

~~_____ We will not pay anyone more than once for the same elements of loss because of these extensions.~~

~~_____ 6. Supplementary Payments~~

~~_____ In addition to the Supplementary Payments provision of the General Terms and Conditions, this coverage section will pay with respect to any "claim" or "suit" we defend:~~

~~_____ a. All expenses incurred by an insured for first aid to others at the time of an accident or "occurrence."~~

~~E. COVERAGE SECTION E.~~

~~UNINSURED/UNDERINSURED MOTORISTS COVERAGE~~

~~Coverage is only afforded if a Limit of Coverage is shown in the Declarations.~~

~~1. Coverage Agreement~~

~~a. We will pay all sums the insured is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured/underinsured auto." The damages must result from "bodily injury" sustained by the insured caused by an "occurrence." The owner's or driver's liability for these damages must result from the ownership, maintenance, or use of the "uninsured/underinsured auto."~~

~~b. We will pay only after all liability bonds or policies have been exhausted by judgments or payments.~~

~~c. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.~~

~~2. Special Exclusions~~

~~This Coverage Section does not apply to any of the following:~~

~~a. "Bodily injury" sustained by:~~

~~(1) Your employee or volunteer while "occupying," or when struck by, any vehicle owned by you that is not a covered "auto" for Uninsured or Underinsured Motorists Coverage under this coverage certificate.~~

~~b. Anyone using an "auto" without a reasonable belief that the person is entitled to do so.~~

~~c. Any "claim" settled without our consent.~~

~~d. The direct or indirect benefit of any insurer or self insurer under Workers' Compensation, disability benefits, or similar law.~~

~~Punitive or exemplary damages.~~

~~3. Who Is An Insured~~

~~Anyone “occupying” within the scope of your permission a covered “auto” you own, or a temporary substitute for a covered “auto” you own. The temporary substitute must be for a covered “auto” that is out of service because of its breakdown, repair, servicing, loss or destruction.~~

~~Anyone for damages he or she is entitled to recover as a representative of the injured insured.~~

~~If an employee or volunteer is covered for liability coverages for a covered auto you do not own, any employee of yours is an insured under this coverage while using a covered “auto” you do not own, but only in the course of your business. However, your employee or volunteer is not covered if the covered “auto” is owned by that employee or a member of his or her household.~~

~~4. Limits of Coverage~~

~~a. The Limits of Coverage shown in the Declarations and the rules below fix the most we will pay for all damages resulting from any one occurrence, regardless of the number of covered “autos,” insureds, premiums or premiums paid, “claims” made, or vehicles involved in the “occurrence,” the most we will pay for all damages resulting from any one “occurrence.”~~

~~b. Any amount payable under this Coverage Section shall be reduced by:~~

~~(1) All sums paid or payable under any workers' compensation, disability benefits, or similar law; and~~

~~(2) All sums paid by or for anyone who is legally responsible, including all sums paid under any liability of this coverage certificate.~~

~~c. Any amount paid under this coverage will reduce any amount an insured may be paid under any liability of this coverage certificate.~~

~~d. No one will be entitled to receive duplicate payments for the same elements of loss.~~

~~5. Definitions Applicable Only To This Coverage Section~~

~~a. “Occupying” means in, upon, getting in, on, out, or off.~~

~~b. “Uninsured auto” means a land motor vehicle or trailer:~~

~~(1) To which no bodily injury liability bond or policy applies at the time of an “occurrence”;~~

~~_____ (2) For which an insuring or bonding company denies coverage or is or becomes insolvent, or~~

~~_____ (3) That is a hit and run vehicle and neither the driver nor owner can be identified. The vehicle must either:~~

~~_____ (a) Hit an insured, a covered "auto," or a vehicle an insured is "occupying;" or~~

~~(b) Cause "bodily injury" to the insured without physical contact with the insured, a covered "auto" or a vehicle the insured is "occupying." However, in such cases the insured must prove by a fair preponderance of the evidence that the "bodily injury" resulted from the negligence of an unidentified motorist.~~

~~_____ However, "uninsured auto" does not include any vehicle:~~

~~_____ (1) Owned or operated by a self insurer under any applicable motor vehicle or insurance law, except a self insurer who is or who becomes insolvent and cannot provide the amounts required by that motor vehicle law;~~

~~_____ (2) Owned by a governmental unit or agency;~~

~~_____ (3) Designed for use mainly off public roads while not on public roads.~~

~~_____ d. "Underinsured auto" means a land motor vehicle or trailer for which the sum of all bodily injury liability bonds or policies applicable at the time of the "occurrence" is less than the Limit of this Coverage Section.~~

~~_____ However, "underinsured auto" does not include any vehicle:~~

~~_____ (1) Owned or operated by a self insurer under any applicable motor vehicle law;~~

~~_____ (2) Owned by a governmental unit or agency;~~

~~_____ (3) Designed for use mainly off public roads while not on public roads; or~~

~~For which an insuring or bonding company denies coverage or is or becomes insolvent.~~

~~_____ 6. Changes Or Additions To General Conditions~~

~~_____ The GENERAL CONDITIONS of the policy are changed for Uninsured/Underinsured Motorists Coverage as follows:~~

~~_____ a. OTHER INSURANCE is replaced by the following:~~

~~If there is other insurance available to cover damages for "bodily injury", the following rules apply:~~

~~(1) When this coverage certificate and other insurance both apply to the same loss, the most that we will pay is the highest limit of coverage that applies for any one "auto" under any one policy.~~

~~(2) This policy provides excess coverage for "autos" you do not own. Excess coverage applies after other collectible "uninsured auto" and "underinsured auto" motorists insurance has been used up.~~

~~(3) When this policy and other collectible "uninsured auto" and "underinsured auto" insurance apply to a loss on the same primary, secondary, or excess basis, we will pay that portion of the loss equal to what our limit of coverage bears to the total available limits applicable on the same level of priority.~~

~~b. The following is added to the CONDITION entitled DUTIES IN THE EVENT OF "OCCURRENCE," "CLAIM," OR "SUIT."~~

~~You and any other involved insured must:~~

~~Promptly notify the police if a hit-and-run driver is involved; and~~

~~Promptly send us copies of the legal papers if a "suit" is brought against you or by you.~~

~~c. The following is added to the CONDITION entitled TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US.~~

~~If we make any payment and the insured recovers from another party, the insured shall hold the proceeds in trust for us and pay us back the amount we have paid.~~

~~We will not acquire by assignment the insured's right of action to recover for "bodily injury" from any third party prior to settlement or judgment.~~

~~7. Underinsured Motorists Conversion Coverage~~

~~If the schedule or Declarations indicate that Underinsured Motorists Conversion Coverage is included, the following provisions apply:~~

~~a. The definition of "underinsured auto" is replaced by the following:~~

~~"Underinsured auto" means a land motor vehicle or trailer for which the sum of all payments received by or on behalf of the insured, from or on behalf of anyone who is legally responsible is less than the fair, just, and reasonable damages of the insured.~~

~~b. With respect to coverage provided under the above definition of "underinsured auto," the Limit of Coverage is not reduced by amounts paid by or on behalf of a tortfeasor or any third party, or under Workers' Compensation, disability benefits, or similar law.~~

F. ~~COVERAGE SECTION F~~

~~EMPLOYEE BENEFITS LIABILITY (CLAIMS MADE FORM)~~

~~Coverage is only afforded if a Limit of Coverage is shown in the Declarations.~~

~~1. Coverage Agreement~~

~~We will pay on behalf of the insured all sums that the insured becomes legally obligated to pay as damages because of a “claim” first made against the insured during the “coverage period” by reason of any negligent act, error, or omission in the “administration” of your “employee benefit programs.”~~

~~No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. This coverage applies only to negligent acts, errors, or omissions that occur after the Retroactive Date, if any, shown in the Declarations and which also occur in the “coverage territory.”~~

~~We will have the right and duty to defend any “suit” seeking those damages even if any of the allegations of the “suit” are groundless, false, or fraudulent. However:~~

- ~~a. The amount we will pay for damages is limited as described in Limits of Coverage.~~
- ~~b. We may investigate and settle any “claim” or “suit” at our discretion; and~~
- ~~c. Our right and duty to defend ends when we have used up the applicable Limits of Coverage in the payment of judgments or settlements.~~

~~2. Special Exclusions~~

~~This Coverage Section does not apply to any “claim”:~~

~~a. Advice on Investments and Savings Programs~~

~~Based upon advice given to any employee or beneficiary to participate or not participate in investments or savings programs.~~

~~b. “Bodily Injury,” “Property Damage,” “Personal Injury,” “Advertising Injury”~~

~~For “bodily injury” or arising out of “property damage,” “personal injury,” “advertising injury,” discrimination, or humiliation.~~

~~c. Changes in Benefit Programs~~

~~Based on changes in the ultimate cost or level of any benefit program available to any employee of the insured or changes made to any benefit program resulting from efforts of the insured to comply with any tax laws or other laws which result in changes to the benefits available to any employee of the insured.~~

~~_____~~ **d. Circumstances Known At Effective Date**

~~_____~~ ~~Arising out of circumstances that the insured, at the effective date of this coverage, could have reasonably foreseen as giving rise to a "claim" or "suit."~~

~~_____~~ **e. Fiduciary Liability**

~~_____~~ ~~Based upon breach of fiduciary duty under the Employee Retirement Security Act of 1974.~~

~~_____~~ **f. Fiduciary Liability -- Contractual Obligations**

~~Based upon failure of an insured or any insurer or fiduciary to meet his obligation to make payment of benefits or otherwise perform his contractual obligations.~~

~~_____~~ **g. Investments or Savings Programs**

~~Based upon failure of investments or savings programs to perform as represented.~~

~~_____~~ **h. Malicious Intent**

~~_____~~ ~~Arising out of a dishonest, fraudulent, criminal, or malicious act.~~

~~_____~~ **i. Prior Acts**

~~Based upon a negligent act, error, or omission that occurred prior to the Retroactive Date, if any, shown in the Declarations.~~

~~_____~~ **j. Failure to Comply with Law**

~~Based upon failure to comply with any law concerning workers' compensation, unemployment insurance, social security, disability benefits, or any similar law.~~

~~_____~~ **3. Limits Of Coverage**

~~_____~~ ~~a. The Limits of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:~~

~~_____~~ ~~(1) Insureds;~~

~~(2) "Claims" made or "suits" brought;~~

~~(3) Persons or organizations making "claims" or bringing "suits."~~

~~b. The Limit of Coverage shown in the Declarations as Aggregate is the most we will pay for all damages because of all "claims made against all insureds during the "coverage period."~~

~~c. Subject to b. above the each "claim" limit shown in the Declarations is the most we will pay for all damages because of each "claim".~~

~~d. All damages claimed by one employee as the result of a series of acts, errors, or omissions shall be considered as one "claim" and the each "claim" limit will apply to that "claim."~~

~~The Limits of this Coverage Section apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "coverage period" shown in the Declarations, unless the "coverage 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 Coverage.~~

~~If you or the other insureds are entitled to or exercise rights to an Extended Discovery Period, a separate aggregate limit equal to the aggregate limit applying to this Coverage Section will apply to the Extended Discovery Period.~~

~~4. Definitions Applicable Only To This Coverage Section~~

~~a. "Administration" means:~~

~~(1) Giving counsel to employees with respect to "employee benefit programs;"~~

~~(2) Interpreting "employee benefit programs;"~~

~~(3) Handling of records in connection with "employee benefit programs;"~~

~~(4) Effecting enrollment, termination, or cancellation of employees under "employee benefit programs" performed by a person you authorized to do such acts.~~

~~b. "Employee benefit programs" means group life insurance, group accident and health insurance, profit sharing pension plans, employee stock subscription plans, workers' compensation insurance, unemployment insurance, social security and disability benefits insurance.~~

~~c. “Reduction in Coverage”~~

~~For the purpose of this Coverage Section, “reduction in coverage” means any:~~

- ~~(1) decrease in a limit;~~
- ~~(2) increase in a deductible or self-insured retention; or~~
- ~~(3) addition of a new limitation or exclusion~~

~~5. Special Conditions~~

~~a. Loss Provisions~~

~~(1) If during the “coverage period,” which includes any applicable Discovery Period, you or another insured shall:~~

~~(a) Receive written or oral notice from any employee or third party that it is the intention of the employee or third party to hold you or an insured responsible for any negligent act, error, or omission in the “administration” of your “employee benefit program;” or~~

~~(b) Become aware of any circumstances which may subsequently give rise to a “claim” being made against you or another insured for a negligent act, error, or omission in the “administration” of your “employee benefit programs;”~~

~~And provided that in either case written notice is given to us during the “coverage period” (including any applicable Discovery Period) of such written or oral notice under (a), or such circumstances under (b), then any “claim” which is subsequently made against you or another insured arising out of such negligent act, error, or omission in the “administration” of your “employee benefit programs” shall, for the purposes of this Coverage Section, be treated as a “claim” first made during the “coverage period.”~~

~~(2) If we or you cancel or choose not to renew this Coverage Section or at any time we require a “reduction in coverage,” then you or another insured shall have the right to an extension of the coverage granted by this Coverage Section (said extension being called a Discovery Period), in respect of any “claims” first made against you or another insured during the Discovery Period. We will notify you in writing no earlier than the date coverage is cancelled, not renewed, or a “reduction in coverage” takes place and no later than 15 days after coverage ends of the limited reporting period, the need for purchasing an Extended Discovery Period, and the cost of that Extended Discovery Period. The right to the Discovery Period is subject to the following terms and conditions:~~

~~(a) The coverage will apply to “claims” first made during the Discovery Period, but only as respects a negligent act, error, or omission in the “administration” of your “employee benefit programs” committed before the effective date of cancellation, non-renewal, or imposition of an exclusion, and for which coverage is otherwise provided pursuant to the terms of this Coverage Section;~~

~~(b) If the Discovery Period results from the imposition of a “reduction in coverage” on renewal, then the coverage will only apply to “claims” first made during the~~

~~Discovery Period for any negligent act, error, or omission in the “administration” of your “employee benefit programs” which would have been covered prior to the “reduction in coverage;”~~

~~_____ (c) The Discovery Period will be determined as follows:~~

~~_____ (i) If at the time of termination of coverage subject to this provision you owe us any premiums for this Coverage Section or have any outstanding unpaid reimbursable deductibles due, the Discovery Period will be 30 days unless such amounts due are paid within 30 days of termination of coverage;~~

~~_____ (ii) If at the time of termination of coverage subject to this provision you do not owe us any premiums or reimbursable deductibles, or pay such amounts as are due within 30 days of termination of coverage, the Discovery Period will be 90 days;~~

~~_____ (d) You have the option of purchasing an Extended Discovery Period equal to three years beginning at the end of the Discovery Period, but only if you have notified us in writing within 30 days of termination of coverage or 15 days after we mail you notice of the availability of the Extended Discovery Period and you pay the necessary additional premium when it is due.~~

~~The Additional Premium due for the Extended Discovery Period will be determined by us based on the rates and rules in effect when this Coverage Section took effect. This premium will not exceed 200% of the annual premium for this Coverage Section, as shown in the Declarations.~~

~~Once you have notified us in writing that you want to purchase the Extended Discovery Period and pay the necessary additional premium, the Extended Discovery Period may not be cancelled and the premium is considered fully earned.~~

~~If this Coverage Section is cancelled or not renewed as a result of non-payment of premium, any premium paid for the Extended Discovery Period will first be applied to any premium for this Coverage Section that was not paid when due. The remaining balance of the premium payment, if any, will then be applied to the purchase of the Extended Discovery Period. However, the Extended Discovery Period won’t take effect until the past due premium is paid in full and the Extended Discovery Period premium is paid in full when due.~~

~~_____ b. The Retroactive Date (if any) may not be changed to a later date during the time that this Coverage Section has been continuously in effect with us, or during the Discovery Period unless you have consented in writing to making this change and we have notified you of your right to buy an Extended Discovery Period.~~

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G. COVERAGE SECTION G

LAW ENFORCEMENT LIABILITY

Coverage is only afforded if a Limit of Coverage is shown in the Declarations.

1. Coverage Agreement

- a. We will pay on behalf of the insured all sums that the insured becomes legally obligated to pay as damages because of a “*wrongful act*” which results in “*bodily injury*,” “*property damage*,” “*personal injury*,” or “*advertising injury*” to which this Coverage Section applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS.

This coverage applies only if the “*wrongful act*” was committed in the course of and the injury or damage arises out of “*law enforcement*.”

This coverage applies to “*bodily injury*” and “*property damage*” which occurs during the “*coverage period*,” and to “*personal injury*” and “*advertising injury*” caused by an offense committed during the “*coverage period*.”

This coverage applies to “*bodily injury*,” “*property damage*,” “*personal injury*,” and “*advertising injury*” for “*wrongful acts*” which take place in the “*coverage territory*.”

- b. We will have the right and duty to defend any “*suit*” seeking covered damages even if the allegations of the “*suit*” are groundless, false, or fraudulent. However:
 - (1) The amount we will pay for damages is limited as described in LIMITS OF COVERAGE;
 - (2) We will not settle any “*claim*” or “*suit*” without your consent, unless, after we have given you reasonable notice, you do not respond to our request for your consent to settle; in which case we shall have the authority to settle such “*claim*” or “*suit*” at our discretion. If you refuse to consent to our recommendation to the settlement of any “*claim*” or “*suit*,” to which settlement the claimant has agreed, and elect to contest such “*claim*” or “*suit*” or continue any legal proceedings in connection with such “*claim*” or “*suit*,” our liability for the “*claim*” or “*suit*” shall not exceed the amount, if any, excess of your deductible for which the “*claim*” or “*suit*” could have been so settled or the amounts described in subparagraph (1) above, whichever is less. You will pay or reimburse us for legal fees and other costs of defense incurred after you have declined to consent to a settlement recommended by us. Upon declining

to consent to a recommended settlement, you may take over control of the defense, including choice of attorneys, and in such case you will pay the costs of defense directly; we will remain liable only for the amount, if any, excess of your deductible for which the “*claim*” or “*suit*” could have been so settled or the amounts described in subparagraph (1) above, whichever is less.

- (3) Our right and duty to defend ends when we have used up the applicable Limits of Coverage in the payment of judgments, settlements, medical payments.
 - (4) No insured shall admit liability for, nor make any voluntary settlement, nor incur any costs or expenses in connection with any “*claim*” or “*suit*” without our written consent.
- c. Damages because of “*bodily injury*” include damages claimed by any person or organization for care, loss of services, or death resulting at any time from “*bodily injury*.”
 - d. “*Property damage*” that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the “*wrongful act*” that caused it.

2. Special Exclusions

This Coverage Section does not apply to:

a. Advertising Injury

“*Advertising Injury*” arising out of:

- (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- (2) The failure of goods, products, or services to conform with advertised quality or performance;
- (3) The wrong description of the price of goods, products, or services; or
- (4) An offense committed by an insured whose business is advertising, broadcasting, publishing, or telecasting.

b. Automobile

“*Bodily injury*” or “*property damage*” arising out of ownership, maintenance, or use of any “*auto*” owned, operated, rented, leased, hired, or borrowed by any insured. Use includes operation and “*loading or unloading*.”

This exclusion does not apply to the parking of an “*auto*” on, or on the ways next to, premises you own or rent, provided the “*auto*” is not owned by or rented or loaned to you or the insured. The term premises does not include roads you own.

c. Contractual Liability

“Bodily injury,” “property damage,” “personal injury,” or “advertising injury” for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) Assumed in a mutual law enforcement assistance agreement or contract with another political entity;
- (2) Liability assumed in a lease of premises, easement agreement, or equipment lease; or
- (3) That the insured would have in the absence of the contract or agreement.

d. Damage to “Impaired Property” or Property Not Physically Injured

“Property damage” to “impaired property” or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy, or dangerous condition in *“your product”* or *“your work,”* or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to *“your product”* or *“your work”* after it has been put to its intended use.

e. Damage to Property

“Property damage” to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away, or abandon, if the *“property damage”* arises out of any part of those premises;
- (3) Property loaned to you, except property loaned to you by another political entity;
- (4) Personal property in your care, custody, or control except property loaned to you by another political entity;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the *“property damage”* arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired, or replaced because *“your work”* was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are “*your work*” and were never occupied, rented, or held for rental by you.

Paragraph (3), (4), (5), and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (4) of this exclusion does not apply to property of persons involuntarily confined or property held as evidence or otherwise seized or impounded if such property has been accurately recorded and is reasonably secured.

Paragraph (6) of this exclusion does not apply to “*property damage*” included in the “*products-completed operations hazard*.”

f. Damage to “Your Product”

“*Property damage*” to “*your product*” arising out of it or any part of it.

g. Damage to “Your Work”

“*Property damage*” to “*your work*” arising out of it or any part of it and included in the “*products-completed operations hazard*.”

This exclusion does not apply if the damaged work, or the work out of which the “*property damage*” arises, was performed on your behalf by a subcontractor.

h. Fraud, Bad Faith, Criminal Acts, Malicious Intent

Any “*claim*” or “*suit*” involving allegations of fraud, bad faith, dishonest or criminal acts or omissions, or malicious intent; however, the insured shall be reimbursed for all amounts which would have been collectible under this Coverage Section if such allegations are not subsequently proven.

i. Law Enforcement Performed for Others

“*Claims*” or “*suits*” arising out of the performance of any act or any law enforcement for anyone other than you. This exclusion does not apply to (1) the performance of any act or law enforcement operation or activity under a mutual law enforcement assistance agreement or other contract between you and another political entity, and (2) any departmentally approved activities.

j. Mobile Equipment

“*Bodily injury*” or “*property damage*” arising out of the ownership, maintenance, operations, use, loading or unloading of “*mobile equipment*”.

k. Non-Monetary Damages

Actions, “*claims*” or “*suits*,” or demands seeking relief or redress in any form other than money damages. We also do not have any obligation to indemnify the insured for any costs, fees, or expenses which the insured shall become obligated to pay as a result of an adverse judgment for injunctive or declaratory relief. However, we will afford defense to you for such actions, “*claims*”, “*suits*,” or demands, if not otherwise excluded, where compensatory damages are demanded.

l. Personal Injury / Advertising Injury

“*Personal injury*” or “*advertising injury*:”

- (1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (2) Arising out of oral or written publication of material whose first publication took place before the beginning of the “*coverage period*,”
- (3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured.
- (4) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages
 - (a) Assumed by you in a contract or agreement that is a “*covered contract*,” or
 - (b) That the insured would have in the absence of the contract or agreement.

m. Premises You Own

“*Bodily injury*” or “*property damage*” arising out of the physical condition of any premises (or part thereof) owned by you or in your possession or control.

n. Recall Of Products, Work, or “Impaired Property”

Damages claimed for any loss, cost, or expense, incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of:

- (1) “*Your product*,”
- (2) “*Your work*,” or
- (3) “*Impaired property*”

if such product, work, or property is withdrawn or recalled from the market or from use by any person, organization, government agency, or regulatory authority acting voluntarily or involuntarily because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

o. Willful Violation

“*Claims*” or “*suits*” arising out of the willful violation of a statute, regulation, or ordinance committed by or with the knowledge or consent of the insured.

Exclusions d. through g. do not apply to damage by fire or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of coverage applies to this coverage as described in LIMITS OF COVERAGE.

3. Who Is An Insured

In addition to those who are designated in the GENERAL TERMS AND CONDITIONS as insured for coverage under this Coverage Section, the following are also an insured:

- a. Any person (other than your employee), or any organization while acting as your real estate manager.
- b. Past and future employees, volunteers, and holders of the positions indicated in subparagraphs 3a. and b. of the WHO IS AN INSURED provisions of the GENERAL TERMS AND CONDITIONS but only to the extent and on the terms indicated with respect to present employees, volunteers, and holders of such positions.

4. Limits Of Coverage

- a. The Limits of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) “*Claims*” made or “*suits*” brought; or
 - (3) Persons or organization making “*claims*” or bringing “*suits*.”
- b. The Limit of Coverage shown in the Declarations as Aggregate is the most we will pay for all damages because of all “*claims*” first made against all insureds.
- c. Subject to b. above the each “*wrongful act*” limit shown in the Declarations is the most we will pay for all “*bodily injury*” and “*property damage*” that takes place and all offenses giving rise to “*personal injury*” and/or “*advertising injury*” as a result of one “*wrongful act*.”

The Limits of this Coverage Section apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the “*coverage period*” shown in the Declarations, unless the “*coverage 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 Coverage.

5. Special Definitions

a. “Personal Injury”

For the purpose of this Coverage Section the term “*personal injury*” is amended to include the following subparagraphs:

- (6) False, erroneous, or improper service of civil papers.
- (7) Violation of civil rights including discrimination.
- (8) Assault and battery.

b. “Wrongful Act”

For the purpose of this Coverage Section the term “*wrongful act*” shall mean any actual or alleged error, omission, misstatement, act of neglect, or breach of duty including misfeasance, malfeasance, or nonfeasance of you or an insured while acting in his capacity as such in “*law enforcement*.”

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SPECIMAN

~~H. COVERAGE SECTION H~~

~~PUBLIC OFFICIALS LIABILITY (CLAIMS MADE FORM)~~

~~Coverage is only afforded if a Limit of Coverage is shown in the Declarations.~~

~~1. Coverage Agreement~~

~~a. We will pay on behalf of an individual insured those sums which the individual insured becomes legally obligated to pay as damages because of a "claim" first made against him during the "coverage period" by reason of a "wrongful act."~~

~~b. We will pay on your behalf those sums that you are either obligated or permitted to pay an individual insured as indemnity for damages or other loss sustained because of a "claim" first made against him during the "coverage period" by reason of a "wrongful act."~~

~~c. We will pay on your behalf those sums that you become legally obligated to pay as damages because of a "claim" first made against you during the "coverage period" by reason of a "wrongful act."~~

~~No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. This coverage applies only to a "wrongful act" which occurs after the Retroactive Date, if any, shown in the Declarations and which also occurs in the "coverage territory."~~

~~d. If this coverage applies to a "claim", we will have the right and duty to defend any suit seeking damages because of that "claim" even if any of the allegations of that suit are groundless, false, or fraudulent, but:~~

~~(1) The amount we will pay for damages is limited as described in LIMITS OF COVERAGE;~~

~~(2) We will not settle any "claim" or suit without your consent, unless, after we have given you reasonable notice, you do not respond to our request for your consent to settle; in which case we shall have the authority to settle such "claim" or suit at our discretion. If you refuse to consent to our recommendation to the settlement of any "claim" or suit, to which settlement the claimant has agreed and elect to contest such "claim" or suit or continue any legal proceedings in connection with such "claim" or suit, our liability for the "claim" or suit shall not exceed the amount, if any, excess of your deductible for which the "claim" or suit could have been so settled or the amounts described in subparagraph (1) above, whichever is less. You will pay or reimburse us for legal fees and other costs of defense incurred after you have declined to consent to a settlement recommended by us. Upon declining to consent to a recommended settlement, you may take over control of the defense, including choice of attorneys, and in such case you will pay the costs of defense directly; we will remain liable only for the amount, if any, excess of your~~

deductible for which the “claim” or suit could have been so settled or the amounts described in subparagraph (1) above, whichever is less.

_____ (3) Our right and duty to defend end when we have used up the applicable limit of coverage in the payment of judgments, settlements.

_____ (4) No insured shall admit liability for, nor make any voluntary settlement, nor incur any costs or expenses in connection with any “claim” or suit without our written consent.

_____ e. All “claims” for damages because of the same or interrelated “wrongful acts” will be deemed to have been made at the time the first of those “claims” is made against any insured.

_____ **2. Special Exclusions**

_____ a. This coverage section does not apply to:

_____ (1) **~~“Bodily Injury,” “Property Damage,” “Personal Injury,” or “Advertising Injury”~~**

A “claim” for, based upon, or arising from ~~“bodily injury,” “property damage,” “personal injury,” or “advertising injury.”~~ However, this exclusion will not apply to any “claim” for ~~“personal injury” or “advertising injury”~~ arising out of ~~“employment related practices.”~~

_____ (2) **Breach of Contract**

A “claim” for or arising out of breach of contract, except this exclusion shall not apply to “claims” for or arising out of ~~“employment related practices.”~~

_____ (3) **Circumstances Known at Effective Date**

A “claim” arising out of circumstances which the insured, prior to the inception date of this coverage, could have reasonably foreseen as giving rise to a “claim” or suit.

_____ (4) **“Claims” By One Insured Against Another**

Any cross “claim” or counterclaim brought by you against an “insured” or brought by an “insured” against you or another “insured”.

~~(5) Cost Estimate Overruns, Contractual Penalties, Retainages~~

~~A “claim” arising out of cost estimate overruns, contractual penalties, or retainage on any project.~~

~~(6) Criminal Action~~

~~A “claim” which is in the nature of a criminal action, prosecution, or proceeding. However, notwithstanding the foregoing, an insured shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against the insured by reason of any alleged criminal action on the insured’s part unless a judgment or other final adjudication thereof adverse to the insured shall establish that the criminal act committed by the insured was material to the cause of action so adjudicated.~~

~~(7) Employee Benefit Programs~~

~~Any “claim” or suit for damages arising out of any negligent act, error, or omission in the “administration” of your “employee benefit programs.”~~

~~(8) Failure to Maintain Insurance~~

~~A “claim” arising out of failure to effect or maintain adequate insurance.~~

~~(9) Fiduciary Liability~~

~~Any “claim” or suit for damages arising from your or an insured’s activities in a fiduciary capacity as respects public property and funds, bonds, bond obligations, and employee benefit and retirement funds and obligations.~~

~~(10) Fiduciary Liability – Employee Benefit Plans~~

~~A “claim” for breach of fiduciary duty with respect to an employee benefit plan sponsored by you.~~

~~(11) Non-Monetary Damages~~

~~A “claim” seeking relief, or redress in any form other than money damages.~~

~~(12) Prior Acts~~

~~A “claim” based upon a “wrongful act” committed prior to the Retroactive Date shown in the Declarations.~~

~~_____~~ (13) ~~Professional Personnel~~

~~A “claim” against any attorney at law, medical personnel, architect, engineer, or accountant while acting in the scope of his professional duties if such person is not on your payroll.~~

~~_____~~ (14) ~~Return of Wages~~

~~A “claim” for back wages, overtime, or other wage related compensation or from any collective employee bargaining agreements or any amounts due under any “employee benefit programs”.~~

~~_____~~ (15) ~~Riot, Civil Commotion, Mob Action~~

~~“Bodily injury” or “property damage” arising out of riot, civil commotion, or mob action or out of any act or omission in connection with the prevention or suppression of the foregoing.~~

~~_____~~ (16) ~~School Operations~~

~~Any “claim” arising out of the operations or activities of your schools. However, this exclusion does not apply to your School Building Committees which report to you.~~

~~_____~~ (17) ~~Special Operations~~

~~A “claim” arising out of the operations or activities of units, boards, or commissions (or a member thereof when acting as such) of the following type:~~

- ~~_____~~ (a) ~~Airport~~
- ~~_____~~ (b) ~~Hospital~~
- ~~_____~~ (c) ~~Gas or electric utility~~
- ~~_____~~ (d) ~~Housing authority~~

~~Notwithstanding the above, we agree to provide a defense, if not provided by an insurer of that entity or any other insurer, to your elected or appointed directors, officers, officials, and members of boards or commissions for any “claim” or suit because of a “wrongful act” in connection with the above stated operations or activities, provided that such “claim” or suit arises specifically from their duties as your directors, officers, officials, or board or commission members.~~

~~_____~~ (18) **Willful Violation**

A “claim” arising from the willful violation of any statute, ordinance, or regulation. However, notwithstanding the foregoing, the insured shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against the insured by reason of any alleged willful violation on the insured’s part unless a judgment or other final adjudication thereof adverse to the insured shall establish that the willful violation committed by the insured was material to the cause of action so adjudicated.

~~_____~~ b. Paragraph 1a. of the ~~COVERAGE AGREEMENT~~ does not apply to a “claim”:

~~_____~~ (1) **Fraud or Dishonesty of Individual Insured**

Brought about or contributed to by the fraud or dishonesty of the insured against whom “claim” is being made; however, notwithstanding the foregoing, the insured shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against him by reason of any alleged fraud or dishonesty on his part unless a judgment or other final adjudication thereof adverse to him shall establish that acts of active and deliberate fraud or dishonesty committed by him with actual fraudulent or dishonest purpose and intent were material to the cause of action so adjudicated.

~~_____~~ (2) **Personal Profit or Advantage**

Based upon or attributable to the insured against whom “claim” is being made gaining in fact any personal profit or advantage to which he was not legally entitled.

~~_____~~ c. **Your Fraud or Dishonesty**

Paragraph 1c. of the ~~COVERAGE AGREEMENT~~ does not apply to a “claim” which arises by reason of your fraud or other active and deliberate dishonesty; however, notwithstanding the foregoing, you shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against you by reason of any alleged fraud or dishonesty on your part unless a judgment or other final adjudication thereof adverse to you shall establish that acts of active and deliberate fraud or dishonesty committed by you with actual fraudulent or dishonest purpose and intent were material to the cause of action so adjudicated.

~~_____~~ **3. Limits Of Coverage**

~~_____~~ a. The Limit of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

~~_____~~ (1) Insureds;

~~_____~~ (2) “Claims” made or suits brought;

~~_____~~ (3) Persons or organizations making “claims” or bringing suits.

~~_____ b. The Limit of Coverage shown in the Declarations as Aggregate is the most we will pay for all damages because of all “claims” first made against all insureds.~~

~~_____ c. Subject to b. above the each “wrongful act” limit shown in the Declarations is the most we will pay for all damages because of each “claim”.~~

~~The Limits of this Coverage Section apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the “coverage period” shown in the Declarations, unless the “coverage 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 Coverage.~~

~~If you or the other insureds are entitled to or exercise rights to an Extended Discovery Period, a separate aggregate limit equal to the aggregate limit applying to this Coverage Section will apply to the Extended Discovery Period.~~

~~_____ 4. Special Conditions~~

~~_____ a. Loss Provisions~~

~~_____ (1) If during the “coverage period,” which includes any applicable Discovery Period, you or another insured shall:~~

~~_____ (a) Receive written or oral notice from any third party that it is the intention of the third party to hold you or an insured responsible for a “wrongful act;” or~~

~~_____ (b) Become aware of any circumstances which may subsequently give rise to a “claim” being made against you or another insured for a “wrongful act;”~~

~~And provided that in either case written notice is given to us during the “coverage period” (including any applicable Discovery Period) of such written or oral notice under (a), or such circumstances under (b), then any “claim” which is subsequently made against you or another insured arising out of such “wrongful act” shall, for the purposes of this Coverage Section, be treated as a “claim” first made during the “coverage period.”~~

~~_____ (2) If we or you cancel or choose not to renew this Coverage Section or at any time we require a “reduction in coverage,” you or another insured shall have the right to an extension of the coverage granted by this Coverage Section (said extension being called a Discovery Period), in respect of any “claims” first made against you or another insured during the Discovery Period. We will notify you in writing no earlier than the date coverage is cancelled, not renewed, or a “reduction in coverage” takes place and no later than 15 days after coverage ends of the limited reporting period, the need for purchasing an Extended Discovery Period, and the cost of that Extended Discovery Period. The right to the Discovery Period is subject to the following terms and conditions:~~

~~_____ (a) The coverage will apply to “claims” first made during the Discovery Period, but only with respect of a “wrongful act” committed before the effective date of cancellation, non-renewal, or imposition of an exclusion, and for which coverage is otherwise provided pursuant to the terms of this Coverage Section;~~

~~_____ (b) If the Discovery Period results from the imposition of a “reduction in coverage” on renewal, then the coverage will only apply to “claims” first made during the Discovery Period for a “wrongful act” that would have been covered prior to the “reduction in coverage;”~~

~~_____ (c) The Discovery Period will be determined as follows:~~

~~_____ (i) If at the time of termination of coverage subject to this provision you owe us any premiums for this Coverage Section or have any outstanding unpaid reimbursable deductibles due, the Discovery Period will be 30 days unless such amounts due are paid within 30 days of termination of coverage;~~

~~_____ (ii) If at the time of termination of coverage subject to this provision you do not owe us any premiums or reimbursable deductibles, or pay such amounts as are due within 30 days of termination of coverage, the Discovery Period will be 90 days;~~

~~_____ (d) You have the option of purchasing an Extended Discovery Period equal to three years beginning at the end of the Discovery Period, but only if you have notified us in writing within 30 days of termination of coverage or 15 days after we mail you notice of the availability of the Extended Discovery Period, whichever comes first, and you pay the necessary additional premium when it is due.~~

~~The Additional Premium due for the Extended Discovery Period will be determined by us based on the rates and rules in effect when this Coverage Section took effect. This premium will not exceed 200% of the annual premium for this Coverage Section, as shown in the Declarations.~~

~~Once you have notified us in writing that you want to purchase the Extended Discovery Period and pay the necessary additional premium, the Extended Discovery Period may not be cancelled and the premium is considered fully earned.~~

~~If this Coverage Section is cancelled or not renewed as a result of non-payment of premium, any premium paid for the Extended Discovery Period will first be applied to any premium for this Coverage Section that was not paid when due. The remaining balance of the premium payment, if any, will then be applied to the purchase of the Extended Discovery Period. However, the Extended Discovery Period won’t take effect until the past due premium is paid in full and the Extended Discovery Period premium is paid in full when due.~~

~~_____ b. The WHO IS AN INSURED provisions of the GENERAL TERMS AND CONDITIONS are amended to include past and future employees, volunteers, and holders of the positions indicated in subparagraph 3 a. and b., but only to the extent and on the terms indicated with respect to present employees, volunteers, and holders of such positions.~~

~~_____ c. The Retroactive Date (if any) may not be changed to a later date during the time that this Coverage Section has been continuously in effect with us, or during the Discovery Period unless you have consented in writing to making this change and we have notified you of your right to buy an Extended Discovery Period.~~

~~_____ 5. Special Definitions~~

~~_____ a. "Administration"~~

~~For the purpose of this Coverage Section, "administration" means:~~

- ~~(1) Giving counsel to employees with respect to "employee benefit programs;"~~
- ~~(2) Interpreting "employee benefit programs;"~~
- ~~(3) Handling of records in connection with "employee benefit programs;"~~
- ~~(4) Effecting enrollment, termination, or cancellation of employees under "employee benefit programs" performed by a person you authorized to do such acts.~~

~~_____ b. "Employee Benefit Programs"~~

~~For the purpose of this Coverage Section, "employee benefit programs" means group life insurance, group accident and health insurance, profit sharing plans, pension plans, employee stock subscription plans, workers' compensation insurance, unemployment insurance, social security and disability benefits insurance.~~

~~_____ c. "Reduction in Coverage"~~

~~For the purpose of this Coverage Section, "reduction in coverage" means any:~~

- ~~(1) decrease in a limit;~~
- ~~(2) increase in a deductible or self insured retention; or~~
- ~~(3) addition of a new limitation or exclusion~~

~~_____ d. "Wrongful Act"~~

~~For the purpose of this Coverage Section, the term "wrongful act" shall mean any actual or alleged error, omission, misstatement, act of neglect, or breach of duty including misfeasance, malfeasance, or nonfeasance of you or an insured, including "employment related practices".~~

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SPECIMAN

~~I. COVERAGE SECTION I~~

~~SCHOOL LEADERS LIABILITY (CLAIMS MADE FORM)~~

~~Coverage is only afforded if a Limit of Coverage is shown in the Declarations.~~

~~1. Coverage Agreement~~

~~a. We will pay on behalf of an individual insured those sums which the individual insured becomes legally obligated to pay as damages because of a "claim" first made against him during the "coverage period" by reason of a "wrongful act."~~

~~b. We will pay on your behalf those sums that you are either obligated or permitted to pay an individual insured as indemnity for damages or other loss sustained by him because of a "claim" first made against him during the "coverage period" by reason of a "wrongful act."~~

~~c. We will pay on your behalf those sums that you become legally obligated to pay as damages because of a "claim" first made against you during the "coverage period" by reason of a "wrongful act."~~

~~No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. This coverage applies only to a "wrongful act" which occurs after the Retroactive Date, if any, shown in the Declarations and which also occurs in the "coverage territory."~~

~~d. If this coverage applies to a "claim", we will have the right and duty to defend any suit seeking damages because of that "claim" even if any of the allegations of that suit are groundless, false, or fraudulent. But:~~

~~(1) The amount we will pay for damages is limited as described in LIMITS OF COVERAGE;~~

~~(2) We will not settle any "claim" or suit without your consent, unless, after we have given you reasonable notice, you do not respond to our request for your consent to settle; in which case we shall have the authority to settle such "claim" or suit at our discretion. If you refuse to consent to our recommendation to the settlement of any "claim" or suit, to which settlement the claimant has agreed, and elect to contest such "claim" or suit or continue any legal proceedings in connection with such "claim" or suit, our liability for the "claim" or suit shall not exceed the amount, if any, excess of your deductible for which the "claim" or suit could have been so settled or the amounts described in subparagraph (1) above, whichever is less. You will pay or reimburse us for legal fees and other costs of defense incurred after you have declined to consent to a settlement recommended by us. Upon declining to consent to a recommended settlement, you may take over control of the defense, including choice of attorneys, and in such case you will pay the costs of defense directly; we~~

~~will remain liable only for the amount, if any, excess of your deductible for which the “claim” or suit could have been so settled or the amounts described in subparagraph (1) above, whichever is less.~~

~~_____ (3) Our right and duty to defend ends when we have used up the applicable limit of coverage in the payment of judgments and settlements.~~

~~_____ (4) No insured shall admit liability for, nor make any voluntary settlement, nor incur any costs or expenses in connection with any “claim” or suit without our written consent.~~

~~_____ e. All “claims” for damages because of the same or interrelated “wrongful acts” will be deemed to have been made at the time the first of those “claims” is made against any insured.~~

~~_____ f. This coverage applies only if the “wrongful act” was committed in the course of your school operations.~~

~~_____ 2. Special Exclusions~~

~~_____ a. This coverage section does not apply to:~~

~~_____ (1) Assault, Battery, Molesting~~

~~A “claim” arising from assault, battery, or molesting.~~

~~_____ (2) “Bodily Injury,” “Property Damage,” “Personal Injury,” “Advertising Injury”~~

~~A “claim” for, based upon, or arising from “bodily injury,” “property damage,” “personal injury,” or “advertising injury”. However, this exclusion will not apply to any “claim” for “personal injury” or “advertising injury” arising out of “employment related practices.”~~

~~_____ (3) Breach of Contract~~

~~A “claim” for or arising out of breach of contract, except this exclusion shall not apply to “claims” for or arising out of breach of an employment contract.~~

~~_____ (4) Circumstances Known at Effective Date~~

~~A “claim” arising out of circumstances which the insured, at the effective date of this coverage, could have reasonably foreseen as giving rise to a “claim” or suit.~~

~~(5) “Claims” By One Insured Against Another~~

~~Any cross “claim” or counterclaim brought by you against an “insured” or brought by an “insured” against you or another “insured”.~~

~~(6) Cost Estimate Overruns, Contractual Penalties, Retainages~~

~~A “claim” arising out of cost estimate overruns, contractual penalties, or retainages on any project.~~

~~(7) Criminal Action~~

~~A “claim” which is in the nature of a criminal action, prosecution, or proceeding. However, notwithstanding the foregoing, the insured shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against the insured by reason of any alleged criminal action on the insured’s part unless a judgment or other final adjudication~~

~~thereof adverse to the insured shall establish that the criminal act committed by the insured was material to the cause of action so adjudicated.~~

~~_____ (8) Employee Benefit Programs~~

~~Any “claim” or suit for damages arising out of any negligent act, error, or omission in the “administration” of your “employee benefit programs.”~~

~~_____ (9) Failure to Maintain Insurance~~

~~A “claim” arising out of failure to effect or maintain adequate insurance.~~

~~_____ (10) Fiduciary Liability~~

~~A “claim” for breach of fiduciary duty with respect to an employee benefit plan sponsored by you.~~

~~_____ (11) Integration/Desegregation~~

~~To any “claim” or suit for liability directly or indirectly arising out of:~~

~~(a) — Any failure to integrate or desegregate the student enrollment or participation in any school district, school or educational, or extra-curricular program on the basis of race, ethnic background, or national origin; or~~

~~(b) — The busing or other transportation of students to or from schools or extra-curricular events in connection with a program or plan of such integration or desegregation; or~~

~~(c) — Causing or allowing the student enrollment or participation in any school district, school or educational, or extra-curricular program to be operated or administered on a discriminatory basis because of race, ethnic background, or national origin.~~

~~However we will indemnify the insured for defense of such “claims” or suits, other than “claims” or suits brought by any political entity, subject to an aggregate of \$100,000 for any one “coverage period”.~~

~~_____ (12) Non-Monetary Damages~~

~~A “claim” seeking relief or redress in any form other than money damages.~~

~~_____ (13) Prior Acts~~

~~A “claim” based upon a “wrongful act” committed prior to the Retroactive Date shown in the Declarations.~~

~~————— (14) Return of Wages~~

~~A “claim” for back wages, overtime, or other wage-related compensation or from any collective employee bargaining agreements or any amounts due under any “employee benefit programs.”~~

~~————— (15) Riot, Civil Commotion, Mob Action~~

~~“Bodily injury” or “property damage” arising out of riot, civil commotion, or mob action or out of any act or omission in connection with the prevention or suppression of the foregoing.~~

~~————— (16) Willful Violation~~

~~A “claim” arising from the willful violation of any statute, ordinance, or regulation. However, notwithstanding the foregoing, the insured shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against the insured by reason of any alleged willful violation on the insured’s part unless a judgment or other final adjudication thereof adverse to the insured shall establish that the willful violation committed by the insured was material to the cause of action so adjudicated.~~

~~————— b. Paragraph 1a. of the COVERAGE AGREEMENT does not apply to a “claim”:~~

~~————— (1) Fraud or Dishonesty of Individual Insured~~

~~Brought about or contributed to by the fraud or dishonesty of the insured against whom “claim” is being made; however, notwithstanding the foregoing, the insured shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against him by reason of any alleged fraud or dishonesty on his part unless a judgment or other final adjudication thereof adverse to him shall establish that acts of active and deliberate fraud or dishonesty committed by him with actual fraudulent or dishonest purpose and intent were material to the cause of action so adjudicated;~~

~~————— (2) Personal Profit or Advantage~~

~~Based upon or attributable to the insured against whom “claim” is being made gaining in fact any personal profit or advantage to which he was not legally entitled.~~

~~————— c. Your Fraud or Dishonesty~~

~~Paragraph 1c. of the COVERAGE AGREEMENT does not apply to a “claim” which arises by reason of your fraud or other active and deliberate dishonesty; however, notwithstanding the foregoing, you shall be protected under the terms of this policy as to any “claims” upon which suit may be brought against you by reason of any alleged fraud or dishonesty on your part unless a judgment or other final adjudication thereof adverse to you shall establish that~~

~~acts of active and deliberate fraud or dishonesty committed by him with actual fraudulent or dishonest purpose and intent were material to the cause of action so adjudicated.~~

~~3. Limits Of Coverage~~

~~a. The Limit of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:~~

- ~~(1) Insureds;~~
- ~~(2) "Claims" made or suits brought;~~
- ~~(3) Persons or organizations making "claims" or bringing suits.~~

~~b. The Limit of Coverage shown in the Declarations as Aggregate is the most we will pay for all damages because of all "claims" first made against all insureds.~~

~~c. Subject to b. above the each "wrongful act" limit shown in the Declarations is the most we will pay for all damages because of each "claim."~~

~~The Limits of this Coverage Section apply separately to each consecutive period and to any remaining period of less than 12 months, starting with the beginning of the "coverage period" shown in the Declarations, unless the "coverage 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 Coverage.~~

~~If you or the other insureds are entitled to or exercise rights to an Extended Discovery Period, a separate aggregate limit equal to the aggregate limit applying to this Coverage Section will apply to the Extended Discovery Period.~~

~~4. Special Conditions~~

~~a. Loss Provisions~~

~~(1) If during the "coverage period," which includes any applicable Discovery Period, you or another insured shall:~~

- ~~(a) Receive written or oral notice from any third party that is the intention of the third party to hold you or an insured responsible for a "wrongful act"; or~~
- ~~(b) Become aware of any circumstances which may subsequently give rise to a "claim" being made against you or another insured for a "wrongful act;"~~

~~And provided that in either case written notice is given to us during the "coverage period" (including any applicable Discovery Period) of such written or oral notice under (a), or such~~

~~circumstances under (b), then any “claim” which is subsequently made against you or another insured arising out of such “wrongful act” shall, for the purposes of this Coverage Section, be treated as a “claim” first made during the “coverage period.”~~

~~(2) If we or you cancel or choose not to renew this Coverage Section or on renewal we require a “reduction in coverage,” you or another insured shall have the right to an extension of the coverage granted by this Coverage Section (said extension being called a Discovery Period), in respect of any “claim” first made against you or another insured during the Discovery Period. We will notify you in writing no earlier than the date coverage is cancelled, not renewed, or a “reduction in coverage” takes place and no later than 15 days after coverage ends of the limited reporting period, the need for purchasing an Extended Discovery Period, and the cost of that Extended Discovery Period. The right to the Discovery Period is subject to the following terms and conditions:~~

~~(a) The coverage will apply to “claims” first made during the Discovery Period, but only with respect of a “wrongful act” committed before the effective date of cancellation, non-renewal, or imposition of an exclusion, and for which coverage is otherwise provided pursuant to the terms of this Coverage Section;~~

~~(b) If the Discovery Period results from the imposition of a “reduction in coverage,” then the coverage will only apply to “claims” first made during the Discovery Period for a “wrongful act” which would have been covered prior to the “reduction in coverage”;~~

~~(c) The Discovery Period will be determined as follows:~~

~~(i) If at the time of termination of coverage subject to this provision you owe us any premiums for this Coverage Section or have any outstanding unpaid reimbursable deductibles due, the Discovery Period will be 30 days unless such amounts due are paid within 30 days of termination of coverage;~~

~~(ii) If at the time of termination of coverage subject to this provision you do not owe us any premiums or reimbursable deductibles, or pay such amounts as are due within 30 days of termination of coverage, the Discovery Period will be 90 days;~~

~~(d) You have the option of purchasing an Extended Discovery Period equal to three years beginning at the end of the Discovery Period, but only if you have notified us in writing within 30 days of termination of coverage or 15 days after we mail you notice of the availability of the Extended Discovery Period, whichever comes first, and you pay the necessary additional premium when it is due.~~

~~The Additional Premium due for the Extended Discovery Period will be determined by us based on the rates and rules in effect when this Coverage Section took effect. This premium~~

~~will not exceed 200% of the annual premium for this Coverage Section, as shown in the Declarations.~~

~~Once you have notified us in writing that you want to purchase the Extended Discovery Period and pay the necessary additional premium, the Extended Discovery Period may not be cancelled and the premium is considered fully earned.~~

~~If this Coverage Section is cancelled or not renewed as a result of non-payment of premium, any premium paid for the Extended Discovery Period will first be applied to any premium for this Coverage Section that was not paid when due. The remaining balance of the premium payment, if any, will then be applied to the purchase of the Extended Discovery Period. However, the Extended Discovery Period won't take effect until the past due premium is paid in full and the Extended Discovery Period premium is paid in full when due.~~

~~_____ b. The WHO IS AN INSURED provisions of the GENERAL TERMS AND CONDITIONS are amended to include past and future employees, volunteers, and holders of the positions indicated in subparagraph 3. a. and b. but only to the extent and on the terms indicated with respect to present holders of such positions.~~

~~_____ c. The Retroactive Date (if any) may not be changed to a later date during the time that this Coverage Section has been continuously in effect with us, or during the Discovery Period unless you have consented in writing to making this change and we have notified you of your right to buy an Extended Discovery Period.~~

~~_____ 5. Special Definitions~~

~~_____ a. "Administration"~~

~~For the purpose of this Coverage Section, "administration" means:~~

~~_____ (1) Giving counsel to employees with respect to "employee benefit programs;"~~

~~_____ (2) Interpreting "employee benefit programs;"~~

~~_____ (3) Handling of records in connection with "employee benefit programs;"~~

~~_____ (4) Effecting enrollment, termination, or cancellation of employee under "employee benefit programs" performed by a person you authorized to do such acts.~~

~~_____ b. "Employee Benefit Programs"~~

~~For the purpose of this Coverage Section, "employee benefit programs" means group life insurance, group accident and health insurance, profit sharing plans, pension plans,~~

~~employee stock subscription plans, workers' compensation insurance, unemployment insurance, social security and disability benefits insurance.~~

~~c. "Reduction in Coverage"~~

~~For the purpose of this Coverage Section, "reduction in coverage" means any:~~

- ~~(1) decrease in a limit;~~
- ~~(2) increase in a deductible or self-insured retention; or~~
- ~~(3) addition of a new limitation or exclusion~~

~~d. "Wrongful Act"~~

~~For the purpose of this Coverage Section the term "wrongful act" shall mean any actual or alleged error, omission, misstatement, act of neglect, or breach of duty including misfeasance, malfeasance, or nonfeasance by you, including "employment related practices," while acting in his capacity as such in the performance of duties in connection with or for a School District designated in the Declarations.~~

**J. COVERAGE SECTION J
FOLLOWING FORM EXCESS LIABILITY**

Coverage is only afforded if a Limit of Coverage is shown in the Declarations.

1. Coverage Agreement

Subject to the other provisions of this coverage section, we will pay on behalf of the insured those sums that exceed the per "occurrence" or per "wrongful act" limits of the "Underlying Coverage" scheduled in the Declarations that the insured becomes legally obligated to pay as damages as a result of any single "occurrence" or any single "wrongful act" that happens while this Coverage Section is in effect. The amount we will pay for damages is limited as described in Limits of Coverage in the Declarations.

In the event that the "Underlying Coverage" ceases to apply because of an exhaustion of the applicable aggregate limit and the one time reinstatement of the aggregate limit as provided in Coverage Section A. of the "Underlying Coverage," subject to the other provisions of this coverage, we will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as damages in excess of the exhausted aggregate limits that happens while this Coverage Section is in effect. The amount we will pay as damages is limited as described in the Limits of Coverage.

This coverage only applies to injury or damage covered by the "Underlying Coverage" and then, only when the "Underlying Coverage" is provided under the policy issued by CIRMA. This coverage is subject to all definitions, terms, conditions, limitations, and exclusions as contained in or as may be added to the

“Underlying Coverage” contained in the policy issued by CIRMA during the period this coverage is in effect.

2. Defense of “Claims”

- a. At our discretion, we may:
 - (1) Investigate any “occurrence,” “wrongful act,” or “claim;” and
 - (2) Settle any “claim” or “suit” of which we assume charge of the settlement or defense.
- b. When other insurance is available to the insured, other than “Underlying Coverage,” we will have the right and opportunity, although not the obligation, to associate with the insurers of those policies in the defense and control of any “claim” or “suit” which may create liability under this coverage.
- c. We will assume charge of the settlement or defense of any “claim” or “suit” against the insured seeking damages to which this coverage applies when the “Underlying Coverage” in the Schedule of Underlying Coverage ceases to apply because of an exhaustion of the applicable limits of the “Underlying Coverage.” We will pay, with respect to any “claim” or “suit” we defend, all items identified as SUPPLEMENTARY PAYMENTS.
- d. We will not be required to defend any “claim” or “suit” after the applicable limit of this coverage has been exhausted by payment of judgments or settlements.

We will pay on behalf of the insured the proportional part of the cost of defense and SUPPLEMENTARY PAYMENTS as the amount paid for actual damages hereunder are in proportion to the amount paid for actual damages under the “Underlying Coverage.”

3. Limits of Coverage

- a. The Limits of Coverage shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) “Claims” made or “suits” brought;
 - (3) Persons or organizations making “claims” or bringing “suits;” or
 - (4) Number of covered “autos” or “autos” involved in the “occurrence.”
- b. The Limit of Coverage shown in the Declarations as Annual Aggregate, if any, is the most we will pay for the coverage indicated during the policy

period, regardless of the number of “*occurrences*” or offenses or “*wrongful acts*” as applicable.

4. Definitions

All terms are defined hereunder as defined in the policy issued by the “*Company*” except as follows:

a. “*Underlying Coverage*”

The coverage sections described in the “*Underlying Coverage*” schedule of the Declaration of this Following Form Excess Liability provided by the “*Company*.” If no underlying limit is shown, this coverage section does not apply over that coverage.

5. Special Exclusions

This Following Form Excess Liability for Occurrence Coverages section does not apply to:

- a. Fire Damage Liability with respect to fire and explosion damage to premises rented to you or temporarily occupied by you with the owner's permission.
- b. Care, Custody, and Control liability for “*property damage*” to personal property not owned by you while such coverage is in your care, custody, or control.
- c. Any “*claim*” which would not be covered by the “*Underlying Coverage*” for any reason other than the exhaustion of applicable per “*occurrence*” or per “*wrongful act*” or aggregate limits of such “*Underlying Coverage*.”
- d. Uninsured or Underinsured Motorists Coverage or Underinsured Motorists Conversion Coverage. (Section III. E.).
- e. Medical Payments (Section III. C.)
- f. Garagekeepers Legal Liability (Section III. D., coverage endorsement)
- g. Any obligation that the insured has under any workers’ compensation, disability benefits, unemployment compensation, or other similar law.
- h. Failure to Supply Water, Gas, Electricity
Injury, damage, loss, or damages claimed as a result of your failure to supply water, gas, or electricity or your failure to supply sufficient water, gas, or electricity to meet demand. However, we won’t apply this exclusion if the failure to supply results from accidental damage to tangible property owned or used by the insured to obtain, produce, process, or transmit such service.

i. Pollution

As respects this Coverage Section, the following replaces Pollution exclusion 13. in the LIABILITY GENERAL TERMS AND CONDITIONS:

“Bodily injury,” “property damage,” “personal injury,” “advertising injury,” medical expense, or any other injury, damage, or loss of any nature or kind arising out of, based upon, or attributable to the *“pollution hazard”* at, on, in, or from any:

- (1) Insured’s premises. For the purpose of this exclusion, insured’s premises means any premises, site, or location that is or was at any time owned, rented, leased, borrowed, or occupied by any insured. But we won’t consider a premises, site, or location that isn’t owned, rented, leased, or borrowed, or occupied by any insured to be an insured’s premises in connection with pollution that results from any insured’s work being performed there;
- (2) Waste sites. For the purpose of this exclusion, waste site means any premises, site, or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing, or treatment of waste.
- (3) Insured’s work site. For the purpose of this exclusion, insured’s work site means any premises, site, or location at, on, or in which work is being performed by or for any insured when the pollution involves a pollutant that is brought to, on, or in such premises, site, or location by or for any insured in connection with such work or the work being performed is pollution work.

A related series of discharges, dispersals, releases, migrations, escapes, or seepages shall be deemed to be a single discharge, dispersal, release, migration, escape, or seepage which occurred when the first such discharge, dispersal, release, migration, escape, or seepage took place.

This exclusion does not apply under Coverage Section D. Bodily Injury and Property Damage (“Auto” Liability) if the discharge, dispersal, migration, release, escape, or seepage of pollutants is sudden and accidental.

6. Maintenance of “Underlying Coverage”

The “member” agrees to maintain all “Underlying Coverage” as described in the Declarations in full force and effect during the “coverage period” applicable to this coverage section, except for the reduction of aggregate limits due to payment of “claims” or “claims” expense. If such “Underlying Coverage” is not maintained in full force and effect or if any limits of “Underlying Coverage” are less than those stated in the Declarations, the coverage afforded by this Following

Form Excess Liability coverage section shall apply in the same manner as though such “*Underlying Coverage*” had been in effect to the full extent of the limits scheduled in the Declarations.

7. Excess Coverage

If other insurance, whether collectible or not, is available to the insured covering a loss also covered by this coverage certificate, other than a policy that is specifically written to be excess of this coverage certificate, the coverage afforded by this coverage certificate shall apply in excess of and shall not contribute with such other insurance.

SPECIMAN

IV. PROPERTY DEFINITIONS

PROPERTY COVERAGE SECTIONS A, B, AND C

~~A. “Company” refers to CIRMA which means Connecticut Interlocal Risk Management Agency. The terms we, us, and our(s) in this Coverage Section form refer to the “Company.”~~

~~B. “Covered Automobile” means a land motor vehicle, trailer or semi-trailer, including its equipment and other equipment permanently attached thereto, which is owned, leased, hired, rented, or borrowed by the “member” and for which coverage is adopted in the coverage certificate except any auto you lease, hire, rent, or borrow from any of your employees or partners or members of their households. “Covered Automobile” does not include mobile equipment.~~

~~For the purposes of Coverage Section A., “covered automobile” includes:~~

~~any “auto” that you commandeer, or take with or without permission, for the purpose of performing emergency operations, such as firefighting activities or “law enforcement.”~~

~~C. “Contractors Equipment” means equipment not otherwise described in this coverage certificate, except any land motor vehicle, trailer or semi-trailer, including its equipment and other equipment permanently attached thereto.~~

~~D. “Coverage Period” means period stated in the declarations as such, 12:01 a.m. Standard Time at your mailing address.~~

~~E. “Coverage Territory” means the fifty (50) states of the United States, its territories and possessions, Puerto Rico, the District of Columbia, and Canada.~~

~~F. “Earthquake” means earthquake shock, volcanic action, landslide, earth movement, mudflow, earth sinking, earth rising, or shifting.~~

~~Earthquake: Each loss by earthquake shock or volcanic action shall constitute a single “claim” hereunder, provided, if more than one such earthquake shock or volcanic action shall occur within any period of seventy-two (72) hours during the term of the coverage certificate, the beginning of which 72-hour period may be determined by the “insured,” such as earthquake shock or volcanic action shall be deemed to be a single loss within the meaning thereof, CIRMA shall not be liable for any loss occurring after the expiration date and time of the coverage certificate.~~

However, CIRMA will be liable for any losses occurring for a period of up to seventy-two (72) hours after the expiration of the coverage certificate provided that the first earthquake damage occurs prior to the date and time of the expiration of the coverage certificate.

____ G. “*Flood*” means wave, storm surge, tide, or tidal water and the rising (including the overflowing or breaking of boundaries) of lakes, ponds, reservoirs, rivers, streams, harbors, and similar bodies of water. The term “*surface water*,” as covered hereunder, shall mean seepage, leakage, or influx of water (immediately derived from natural sources) through sidewalks, driveways, foundations, walls, floors, sewers, or drains.

____ If any Flood occurs within a period of the continued rising or overflow of any river(s) or stream(s) and the subsidence of same within the banks of such river(s) or stream(s); or if any flood results from any tidal waves or series of tidal waves caused by any one disturbance; such flood shall be deemed to be a single occurrence within the meaning of this coverage certificate.

____ H. “*Fungi, bacteria, wet or dry rot*” means any type or form of fungus, including mold or mildew, bacteria, or any mycotoxins, spores, scents, or by products produced or released by fungus; wet or dry rot; or bacteria other than fungi or bacteria that exist, are on, or are contained in, a good or product intended for consumption.

____ I. “*Member*” means the public entity identified as the Named Insured in the Declarations. The terms you and your(s) in this Coverage Section refer to the “*member*.”

____ J. “*Mobile Equipment*” means any of the following types of land vehicles, including any attached machinery or equipment:

____ 1. Bulldozers, farm machinery, forklifts, and other vehicles designed for use principally off public roads;

____ 2. Vehicles maintained for use solely on or next to premises the “*member*” owns, rents, or leases;

____ 3. Vehicles that travel on crawler treads;

____ 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

____ a. Power cranes, shovels, loaders, diggers, or drills; or

____ b. Road construction or resurfacing equipment such as graders, scrapers, or rollers;

____ 5. Vehicles not described in 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

~~_____ a. Air compressors, pumps and generators, including sprayers, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or~~

~~_____ b. Cherry pickers and similar devices used to raise or lower workers;~~

~~_____ 6. Machinery, equipment, tools, or business personal property of a mobile nature that you use in your operations or projects, or that are used in municipal or school related activities;~~

~~_____ 7. Vehicles not described in 1., 2., 3., or 4. above maintained primarily for purpose other than the transportation of persons or cargo. However, self propelled vehicles with the following types of permanently attached equipment are not “mobile equipment” but will be considered “autos”:~~

~~_____ a. Equipment designed primarily for:~~

~~_____ (1) Snow removal;~~

~~_____ (2) Road maintenance, but not construction or resurfacing;~~

~~_____ (3) Street cleaning;~~

~~_____ (4) Fire Fighting.~~

~~_____ b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and~~

~~_____ c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment.~~

~~_____ K. “Owned Police Dogs” means a dog owned by your municipality and is a dog that is trained specifically to assist police and similar law enforcement personnel with their work.~~

~~_____ L. “Unmanned Aircraft” means an aircraft that is not designed, manufactured, or modified after manufacture to be controlled directly by a person from within or on the aircraft. Unmanned Aircraft include, but are not limited to, drones and unmanned aerial vehicles.~~

~~_____ M. “Unmanned Aircraft System” means an “unmanned aircraft” and all of the associated equipment, including but not limited to, the control station, data links, telemetry, communications, navigation equipment, cameras, and other equipment necessary to operate and/or installed on, carried on board, or being loaded onto or unloaded from, the aircraft.~~

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~~V. PROPERTY GENERAL TERMS AND CONDITIONS~~

~~COVERAGE SECTIONS A, B, AND C~~

~~General Exclusions~~

~~This coverage certificate does not insure against:~~

~~A. War~~

~~1. Hostile or warlike action in time of peace or war, including action in hindering, combating, or defending against an actual, impending, or expected attack:~~

~~a. By any government or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval, or air forces; or~~

~~b. By military, naval, or air forces; or~~

~~c. By an agent of any such government, power, authority, or forces;~~

~~2. Any weapon employing atomic fission or fusion;~~

~~3. Rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating, or defending against such occurrence;~~

~~4. Seizure or destruction by order of public authority, except destruction by order of public authority to prevent spread of loss or to otherwise contain, control, or minimize loss, damage, or destruction which occurs due to a peril insured against under this coverage certificate;~~

~~5. Risks of contraband or illegal trade.~~

~~Notwithstanding the above provisions, A. 1., 3., 4., and 5., this coverage certificate shall cover loss or damage directly caused by acts committed by an agent of any government, party, or faction engaged in war, hostilities, or warlike operations, provided such agent is acting secretly and not in connection with any operation of armed forces (whether military, naval, or air forces) in the country where the property is situated. Nothing in the foregoing shall be construed to include any loss, damage, or expense caused by or resulting from any of the risks or perils excluded above, excepting only the acts of certain agents expressly covered herein, but in no event shall this coverage include any loss, damage, or expense caused by or resulting from any weapon of war employing atomic fission or fusion or radioactive force whether in time of peace or war.~~

~~B. Nuclear~~

~~Nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) covered in this coverage certificate except:~~

~~1. If fire ensues, liability is specifically assumed for direct loss by such ensuing fire but not including any loss due to nuclear reaction, nuclear radiation, or radioactive contamination;~~

~~2. CIRMA shall be liable for loss or damage caused by sudden and accidental radioactive contamination including resultant radiation damage for each occurrence from material used or stored or from processes conducted on a covered premises and provided at the time of loss there is neither a nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction nor any new or used nuclear fuel on the covered premises.~~

~~C. Pollution~~

~~Loss, damage, costs, or expense in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever.~~

~~Nevertheless, if fire is not excluded from this coverage certificate and a fire arises directly or indirectly from seepage and/or pollution and/or contamination any loss or damage covered under this policy arising directly from that fire shall (subject to the terms, conditions, and limitations of the coverage certificate) be covered.~~

~~The “member” shall give notice to CIRMA or its Service Provider NO LATER THAN 12 MONTHS AFTER THE DATE OF THE ORIGINAL PHYSICAL LOSS OR DAMAGE.~~

~~“Contaminants” and “pollutants” means fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, and any other substances which pose a hazard to human health or the environment.~~

~~General Conditions~~

~~CONDITIONS APPLYING TO COVERAGE SECTIONS A, B, AND C~~

~~A. Appraisal~~

~~If the “member” and CIRMA fail to agree on the amount of loss, each, upon the written demand either of the “member” or of CIRMA made within sixty (60) days after receipt of proof of loss by CIRMA, shall select a competent and disinterested appraiser. CIRMA and the “member” must notify the other of the appraiser selected within 20 days of the written demand for appraisal. The appraisers shall then select a competent and disinterested umpire. If they should fail for fifteen (15) days to agree upon such umpire, then, upon the request of the “insured” or of CIRMA, such umpire shall be selected by a judge of a court of record in the county and state in which such appraisal is pending. Then, at a reasonable time and place, the appraisers shall appraise the loss, stating separately the value at the time of loss and the amount of loss. If the appraisers fail to agree, they shall submit their differences to the umpire. An award in writing by any two shall determine the amount of loss. The “insured” and CIRMA shall each pay its chosen appraiser and shall bear equally the other expenses of the appraisal and of the umpire.~~

~~**B. Canceling or Non-Renewing Coverage Under This Coverage certificate During The Coverage Period**~~

~~1. The “insured” shown in the Declarations may cancel this coverage certificate at any time by mailing or delivering to CIRMA advance written notice of cancellation.~~

~~2. Cancellation of policies in effect for less than 60 days:~~

~~a. If this coverage certificate has been in effect for less than 60 days and is not a renewal of a coverage certificate issued by CIRMA, CIRMA may cancel this coverage certificate for any reason by giving you written notice of cancellation at least:~~

~~(1) 10 days before the effective date of cancellation if CIRMA cancels for non-payment of premium; or~~

~~(2) 30 days before the effective date of cancellation if CIRMA cancels for any other reason.~~

~~b. Unless cancellation is for non-payment of premium, notice of cancellation will state the reasons for cancellation.~~

~~3. Cancellation of policies in effect for 60 days or more:~~

~~a. If this coverage certificate has been in effect for 60 days or more or this is a renewal of a coverage certificate issued by CIRMA, CIRMA may cancel this coverage certificate by giving you written notice of cancellation at least:~~

~~(1) 10 days before the effective date of cancellation if CIRMA cancels for one or more of the following reasons:~~

~~(a) Non-payment of premium;~~

~~(b) Conviction of a crime arising out of acts increasing the hazard insured against;~~

~~(c) Discovery of fraud or material misrepresentation by the “member” in obtaining the coverage certificate or in perfecting any “claim” under the coverage certificate;~~

~~(d) Discovery of any willful or reckless act or omission by the “member” increasing the hazard insured against; or~~

~~(e) A determination by the Insurance Commissioner that continuation of the coverage certificate would violate or place CIRMA in violation of the law; or~~

~~(2) 90 days before the effective date of cancellation if CIRMA cancels for one or more of the following reasons:~~

~~(a) Physical changes in the property which increase the hazard insured against;~~

~~(b) A material increase in the hazard insured against; or~~

~~(c) A substantial loss of reinsurance by CIRMA affecting these particular lines of coverage.~~

~~b. CIRMA may not cancel policies in effect for 60 days or more or renewal policies for any reason other than the reasons described in Paragraph 3.a. above.~~

~~_____ c. Unless cancellation is for non-payment of premium, notice of cancellation will state the reasons for cancellation.~~

~~_____ 4. If CIRMA cancels for non-payment of premium, the “member” may continue the coverage and avoid the effect of the cancellation by payment in full at any time prior to the effective date of cancellation.~~

~~_____ 5. Notice of Cancellation will state the effective date of cancellation. The coverage period will end on that date.~~

~~_____ 6. Non-renewal~~

~~_____ a. If CIRMA decides not to renew this coverage certificate, CIRMA will send notice of non-renewal at least 60 days before the expiration date of this coverage certificate.~~

~~_____ (1) This notice will include the specific reason for non-renewal.~~

~~_____ (2) CIRMA doesn’t have to send such notice if CIRMA is not renewing because the “member” failed to pay the premium.~~

~~_____ 7. Notice of cancellation will be sent or delivered by:~~

~~_____ a. Registered Mail;~~

~~_____ b. Certified Mail; or~~

~~_____ c. Mail evidenced by a United States Post Office certificate of mailing.~~

~~_____ 8. We will give notice to the “member” at the last mailing address known to the “Company.”~~

~~_____ 9. If notice is mailed, proof of mailing will be sufficient proof of notice.~~

~~_____ 10. If we cancel or non-renew this coverage certificate, we’ll send you the claim and premium information described below along with our notice of cancellation or non-renewal. We will provide a maximum of four years of information from the date of the “member’s” request for such information. The information that will be provided includes:~~

~~_____ a. Coverage certificate number;~~

~~_____ b. Beginning and ending dates;~~

~~_____ c. A copy of proof that this information was provided as required by law;~~

~~_____ d. The total amount of premium paid;~~

~~_____ e. Number of claims;~~

~~_____ f. Total of all paid losses; and~~

~~_____ g. Date of each loss.~~

~~_____ h. If your coverage certificate provides coverage under Coverage Sections VI A., the “Company” will also provide pricing information as specified by the insurance regulation of the State of Connecticut.~~

~~_____ (1) If coverage under Coverage Section VI A. is cancelled for non-payment of premium, conviction of a crime, fraud or material misrepresentation, willful or reckless act or~~

omission, or determination by the Insurance Commissioner, CIRMA will provide this information by written report within 30 days of receiving the “member’s” written request for this information.

_____ (2) If coverage under Coverage Section VI A. is cancelled for any other reason not stated in h (1), CIRMA will provide this information to the “member” or the “member’s” authorized agent no later than the date of notice of cancellation or non-renewal.

_____ (3) If further reports are required to provide sufficient information to rate or obtain insurance with a different insurer, such reports will be furnished within 30 days of a written request by the “member” or the “member’s” authorized representative.

_____ 11. If this policy is cancelled, CIRMA will send the “member” any premium refund due. If CIRMA cancels, the refund will be prorata. If the “member” cancels, the refund will be short rated. The cancellation will be effective even if CIRMA has not made or offered a refund. Notice of cancellation will state that the excess premium (if not tendered) will be refunded on demand.

_____ C. Connecticut Standard Fire Policy

If any conditions of The Standard Fire Insurance Policy of the State of Connecticut, as set forth in the General Statutes of Connecticut, are construed to be more liberal than any other coverage certificate condition, the conditions of The Standard Fire Insurance Policy will apply.

_____ D. Evidence Of Coverage

Any evidence of coverage issued by CIRMA in connection with this coverage certificate shall be issued solely as a matter of convenience of information for the addressee(s) or holder(s) of said evidence, except where any Additional Insured(s) or Loss Payee(s) are named pursuant to the Special Provisions of said evidence of coverage. In the event any Additional Insured(s) or Loss Payee(s) are so named, this coverage certificate shall be deemed to have been endorsed accordingly, subject to all other terms, conditions, and exclusions stated herein.

_____ E. Loss Payable

Loss, if any, shall be adjusted with and payable to the “member” or their order, whose receipt shall constitute a release in full of all liability under this coverage certificate with respect to such loss.

_____ F. No Benefit To Bailee (Applicable to Coverage Sections A and B only)

None of the provisions of this coverage certificate inure directly or indirectly to the benefit of any carrier or other bailee for hire.

_____ G. Other Insurance

The following applies to Coverage Sections B and C only:

~~————— 1. Excess Insurance~~

~~Excess insurance is insurance over the limit of liability set forth in this coverage certificate. The existence of such excess insurance shall not prejudice the coverage provided under this coverage certificate nor will it reduce any liability hereunder.~~

~~————— 2. Underlying Insurance~~

~~————— a. Should the “member” elect to maintain insurance on the actual cash value of a property, under the National Flood Insurance Act, as amended, this coverage certificate shall cover excess of loss over the maximum amount of insurance permitted under the act.~~

~~————— b. Any other underlying insurance shall be considered “other insurance.”~~

~~————— 3. Other Insurance~~

~~Except for insurance as described as Excess or Underlying Insurance, this coverage certificate shall not cover to the extent of any other insurance, whether prior or subsequent hereto in date, and whether directly or indirectly covering the same property against the same perils. CIRMA shall be liable for loss or damage only to the extent of that amount in excess of the amount recoverable from such other insurance.~~

~~The following applies to Coverage Section A only:~~

~~This insurance is primary insurance for “covered automobiles” you own and excess insurance for “covered automobiles” you don’t own. Excess insurance applies after other collectable insurance had been used up.~~

~~When a loss covered by this insurance is also covered by insurance with another insurer on the same primary or excess basis, CIRMA will be liable to pay our share of the loss equal to the percentage of the total amount of insurance available. However, CIRMA shall never pay more than would have been paid without the existence of the other insurance.~~

~~————— H. Salvage And Recoveries~~

~~All salvages, recoveries, and payments excluding proceeds from subrogation and underlying insurance recovered or received subsequent to a loss settlement under this coverage certificate, shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made to the parties involved.~~

~~————— I. Subrogation~~

~~————— 1. Any release from liability entered into by the “member,” prior to loss hereunder, shall not affect this coverage certificate or the right of the “member” to recover, hereunder. The right to subrogation against the “member” is waived.~~

~~————— 2. In the event of any payment under this coverage certificate, CIRMA shall be subrogated to the extent of such payment to all the “member’s” rights of recovery therefor. The~~

~~“member” shall execute all papers required and shall do anything that may be necessary at the expense of CIRMA to secure such right. CIRMA will act in concert with all other interests concerned, i.e., the “member” and any other entity or individual participating in the payment of any loss as primary or excess insurers, in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, the net amount recovered after deducting the costs of recovery shall be divided between the interests concerned in the proportion of their respective interests. If there should be no recovery, the expense of proceedings shall be borne proportionately by the interests instituting the proceedings.~~

~~3. In the event one member of the Connecticut Interlocal Risk Management Agency (CIRMA) has a collision with an automobile or object of another member of CIRMA, subrogation rights are waived.~~

~~**J. “Suit” Against CIRMA**~~

~~No “suit” or action on this coverage certificate for the recovery of any “claim” shall be sustainable in any court of law or equity unless the “member” shall have fully complied with all the requirements of this coverage certificate. CIRMA agrees that any action or proceeding against it for recovery of any loss under the coverage certificate shall not be barred if commenced within the time prescribed therefor in the statutes of the State of Connecticut.~~

~~**K. Transfer Of Interest**~~

~~Rights and duties of the “member” under this agreement cannot be assigned without the prior consent of the “Company.”~~

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~~VI. PROPERTY COVERAGE SECTIONS~~

~~Coverage is only afforded if Limits are shown in the Declarations.~~

~~A. PROPERTY COVERAGE SECTION A~~

~~AUTOMOBILE PHYSICAL DAMAGE COVERAGE AND CONDITIONS~~

~~1. Coverage Agreement~~

~~CIRMA will pay for loss to a “covered automobile” or its equipment during the “coverage period” under:~~

~~a. Comprehensive from any cause except the “covered automobiles” collision with another object or its overturn.~~

~~b. Collision caused by collision of a “covered automobile” with another object or its overturn.~~

~~c. Towing CIRMA will pay up to \$50 for towing and labor costs incurred each time a “covered automobile” is disabled. However, the labor must be performed at the place of disablement.~~

~~d. Glass Breakage, Hitting A Bird Or Animal, Falling Objects Or Missiles~~

~~CIRMA will pay for glass breakage, loss caused by hitting a bird or animal, or by falling objects or missiles under Comprehensive Coverage if the “member” carries Comprehensive Coverage for the damaged “covered automobile.” However, the “member” has the option of having glass breakage caused by a “covered automobile’s” collision or overturn considered a loss under Collision Coverage.~~

~~e. Supplementary Payments~~

~~In addition to the applicable limits of liability, CIRMA will pay up to \$30 per day to a maximum of \$900 for transportation expense incurred by the “member” because of the total theft of a “covered automobile” of the private passenger type. CIRMA will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending regardless of the expiration shown in the Declarations, when the “covered automobile” is returned to use or CIRMA pays for its loss.~~

~~CIRMA will pay, as interest may appear, you and any loss payee for loss to a “covered automobile.” If CIRMA makes any payment to a loss payee, CIRMA will then be permitted to take over the loss payee’s rights against any other party.~~

~~2. Limit Of Liability~~

~~a. The limit of the “Company’s” liability for loss to any one “covered automobile” shall not exceed the least of the following amounts:~~

~~(1) The actual cash value of such covered automobile, or if the loss is to a part thereof the actual cash value of such part, at the time of loss; or~~

~~(2) What it would then cost to repair or replace such “covered automobile” or part thereof with other of like kind and quality.~~

~~b. CIRMA may, at its option:~~

~~(1) Pay for, repair, or replace damaged or stolen property; or~~

~~(2) Return the stolen property at the “Company’s” expense. The “Company” will pay for any damage that results to the “covered “automobile” for theft.~~

~~(3) Take all or any part of the damaged or stolen property at the agreed or appraised value.~~

~~However, there shall be no abandonment to the “Company.”~~

~~3. Deductible~~

~~For each “covered automobile,” the “Company’s” obligation to pay for, repair, return, or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. However, the deductible will not apply to:~~

~~a. Claims from damage to glass used in the windshield or windows.~~

~~b. Comprehensive losses caused by fire or lightning.~~

~~For each loss involving five or more “covered automobiles,” where comprehensive coverage is purchased for each of these “covered automobiles”, the “Company’s” total obligation to pay for, repair, return, or replace damaged or stolen property shall be reduced by the Catastrophic Loss Deductible. The deductible shown in the Declarations as applicable to each “covered automobile” shall not apply.~~

~~The Catastrophic Loss Deductible is the lesser of either the sum of the deductibles shown in the Declarations for all of the “covered automobiles” which have been lost or damaged or a maximum of five times the highest “member’s” comprehensive deductible for any of the lost or damaged “covered automobiles”.~~

~~However, CIRMA shall not apply the Catastrophic Loss Deductible to COMPREHENSIVE losses that are caused by fire or lightning. No deductible shall be applied to such losses.~~

~~4. Special Exclusions~~

~~This coverage does not apply to:~~

~~a. Wear and tear, mechanical or electrical breakdown unless caused by other loss covered by this coverage certificate;~~

~~b. Blowouts, punctures, or other road damage to tires unless caused by other loss covered by this coverage certificate;~~

~~c. Loss to tape decks or other sound reproducing equipment not permanently installed in a "covered automobile;" however, this exclusion does not apply to any equipment that is installed in a "covered automobile" which is:~~

~~(1) Owned or operated by your police or fire department or ambulance corps; or~~

~~(2) Equipped as an emergency vehicle and owned by you.~~

~~(3) An audio device or camera equipment that is part of the normal inventory of equipment in any transit "auto" used by your transit authority operations.~~

~~(4) An audio device or camera equipment that is used in any emergency vehicle.~~

~~d. Loss to tapes, records or other sound reproducing devices designed for use with sound reproducing equipment.~~

~~5. Special Conditions~~

~~a. Requirements In Case Of Loss~~

~~(1) The "member" shall give immediate notice to CIRMA or any of it's authorized agents of any loss, claim, or "suit" as soon as it's practicable, give written information with respect to the time, place, persons, or witnesses involved and the circumstances of the loss, claim, or "suit".~~

~~(2) The "member" shall cooperate with CIRMA and, upon "Company" request, assist in making settlement, in the conduct of "suits" and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the "member" because of injury or damage with respect to which coverage is afforded under the coverage certificate.~~

~~(3) When a loss takes place, the "member" shall give notice thereof to the proper police authority if the loss involves a violation of the law.~~

~~(4) Additionally, to recover for loss to a “covered automobile” or its equipment, the “member” must do the following:~~

~~(a) Permit us to inspect and appraise the damaged property before its repair or disposition.~~

~~(b) At our expense, do what is reasonably necessary, after loss, to protect the “covered automobile” from further loss.~~

~~(c) Submit a proof of loss when required.~~

~~(d) Promptly notify the police if the “covered automobile” or any of its equipment is stolen.~~

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~~B. PROPERTY COVERAGE SECTION B~~

~~PROPERTY COVERAGE (ALL RISK)~~

~~1. Coverage~~

~~Except as hereinafter excluded, this coverage certificate covers:~~

~~a. Real and Personal Property:~~

~~(1) The interest of the "member" in all real and personal property (including improvements and betterments) and electronic data processing equipment owned, used, or intended for use by the "insured," or hereafter constructed, erected, installed, or acquired including while in the course of construction, erection, installation, or assembly.~~

~~In the event of loss or damage, CIRMA agrees to accept and consider the "member" as sole and unconditional owner of improvements and betterments, notwithstanding any contract or lease to the contrary.~~

~~(2) The interest of the "member" in the real and personal property of others in the "insured's" care, custody, or control and/or the "insured's" liability imposed by law or assumed by contract.~~

~~(3) At the option of the "insured," personal property of the "insured's" officials, employees, and volunteers while on the premises of the "insured."~~

~~(4) Contractors' and vendors' interests in property covered to the extent of the "insured's" liability imposed by law or assumed by contract.~~

~~(5) Newly Acquired Property — In addition to the limit of liability, this coverage certificate covers up to \$1,000,000 for newly acquired property; however, once the "member" reports the value of such property to CIRMA the Limit of Coverage shown on the Declarations Page applies.~~

~~b. Business Interruption~~

~~This coverage certificate also covers loss resulting from necessary interruption of business conducted by the "member" and caused by loss, damage, or destruction by any of the perils covered herein, during the "coverage period" of this coverage certificate to real and personal property as described herein.~~

~~If such loss occurs during the "coverage period" of this coverage certificate, it shall be adjusted on the basis of the Actual Loss Sustained by the "insured," consisting of the net profit which is thereby prevented from being earned and of all charges and expenses including ordinary payroll, but only to the extent that they must necessarily continue during the interruption of business, and only to the extent to which they would have been earned had no loss occurred.~~

~~"Ordinary payroll" is defined to be the entire payroll expense for all employees of the "member" except officers, executives, department managers, employees under contract, and other important employees.~~

~~CIRMA shall not be liable for any loss resulting from the time required to reproduce finished stock. Finished stock shall mean stock manufactured by the "member" which in the ordinary course of the "insured's" business is ready for packing, shipment, or sale.~~

~~Resumption of Operations: If the “member” could reduce the loss resulting from the interruption of business;~~

~~_____ (1) By a complete or partial resumption of operations of property insured whether damaged or not; or~~

~~_____ (2) By making use of other available stock, merchandise, or other property.~~

~~Such reduction will be taken into account in arriving at the amount of loss hereunder.~~

~~Expense to Reduce Loss: This Coverage Section also covers such expenses as are necessarily incurred for the purpose of reducing any loss under this coverage certificate, provided such coverage shall not exceed the amount by which the loss under this coverage certificate is thereby reduced.~~

~~Experience of the Business:~~

~~_____ (1) In determining the amount of net profit, charges, and expenses covered hereunder for the purpose of ascertaining the amount of loss sustained, due consideration shall be given to the experience of the business before the date of damage or destruction and to the probable experience thereafter had no loss occurred.~~

~~_____ (2) With respect to alterations, additions, and property while in the course of construction, erection, installation, or assembly, due consideration shall be given to the available experience of the business after completion of the construction, erection, installation, or assembly.~~

~~_____ c. Extra Expense~~

~~This coverage certificate covers Extra Expense incurred resulting from loss or damage to property covered hereunder caused by any of the perils covered herein during the term of this coverage certificate.~~

~~Extra Expense means the excess cost necessarily incurred to continue the “insured’s” operations as nearly as reasonably practicable during the “period of recovery” of the damaged property over and above the cost that would normally have been incurred to conduct the business during the same period had no loss or damage occurred.~~

~~_____ d. Rental Value~~

~~Rental value loss sustained by the “member” resulting directly from the necessary untenantability, caused by loss, damage, or destruction by any of the perils covered herein during the term of this coverage certificate to real or personal property as described herein, but not exceeding the reduction in rental value less charges and expenses which do not necessarily continue during the period of untenantability.~~

~~For the purpose of this coverage certificate “rental value” is defined as the sum of:~~

~~_____ (1) The total anticipated gross rental income from tenant occupancy of the described property as furnished and equipped by the “insured,” and~~

~~_____ (2) The fair rental value of any portion of said property which is occupied by the “insured.”~~

~~_____ (3) The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be obligations of the “insured.”~~

~~Expense to Reduce Loss: This Coverage Section also covers such expenses as are necessarily incurred for the purpose of reducing any loss under this coverage certificate. Such coverage,~~

~~however, shall not exceed the amount by which the loss under this coverage certificate is thereby reduced.~~

~~Experience of the Business: In determining the amount of rental value covered hereunder for the purpose of ascertaining the amount of loss sustained, due consideration shall be given to the rental experience before the date of damage or destruction and to the probable experience thereafter had no loss occurred.~~

~~_____ e. Provisions Applicable To Business Interruption And Extra Expense And Rental Value Coverages.~~

~~“Period of Recovery:” The length of time for which loss may be claimed:~~

~~_____ (1) Shall not exceed such length of time as would be required with the exercise of due diligence and dispatch to rebuild, repair, or replace such part of the property as has been destroyed or damaged.~~

~~_____ (2) And, such additional length of time to restore the “insured’s” business to the condition that would have existed had no loss occurred, commencing with the later of the following dates:~~

~~_____ (a) The date on which the liability of CIRMA for loss or damage would otherwise terminate; or~~

~~_____ (b) The date on which repair, replacement, or rebuilding of such part of the property as has been damaged is actually completed;~~

~~But in no event for more than one year thereafter from said later commencement date;~~

~~_____ (3) Shall commence with the date of such loss or damage and shall not be limited by the date of expiration of this “coverage period.”~~

~~_____ (4) With respect to alterations, additions, and property while in the course of construction, erection, installation, or assembly shall be determined as provided in (1) above but such determined length of time shall be applied to the experience of the business after the business has reached its planned level of business operation;~~

~~Special Exclusions: This coverage certificate does not insure against any increase of loss which may be occasioned by the suspension, lapse, or cancellation of any lease, license, contract, or order, nor for any increase of loss due to interference at the “insured’s” premises by strikers or other persons with rebuilding, repairing, or replacing the property damaged or destroyed or with the resumption or continuation of business, or with the reoccupancy of the premises.~~

~~Extension of Coverage: This coverage certificate, subject to all provisions and without increasing the amount of said coverage certificate, also insures against loss resulting from damage to or destruction of the following by the perils covered against:~~

~~_____ (1) Electrical, steam, gas, water, telephone, and other transmission lines situated on the premises; and to related plants and substations and equipment therein off the premises, but within one statute mile of the premises;~~

~~_____ (2) Any property when access to the premises is prohibited for a period not exceeding two weeks by order of civil or military authority;~~

~~_____ (3) Property that directly or indirectly prevents a supplier of goods and/or services to the "member" from rendering their goods and/or services, or property that prevents a receiver of goods and/or services from the "member" from accepting the "member's" goods and/or services.~~

~~Ingress/Egress: This coverage certificate is extended to cover the loss sustained during the period of time (not exceeding two weeks), when as a direct result of a peril covered, ingress or egress from the "insured's" premises is thereby prevented.~~

~~_____ f. Property In Transit~~

~~_____ (1) This coverage certificate attaches and covers shipments of property in which the "member" has an interest and which is in the care, custody, and control of others, within and between the territorial limits of this coverage certificate, including the coastal waters thereof, by any means of conveyance, from the time the property is moved for purpose of loading and continuously thereafter while awaiting and during loading and unloading and in temporary storage, including temporary storage on any conveyance intended for use for any outbound or used for inbound shipment, including during deviation and delay, until safely delivered and accepted into place of final destination.~~

~~_____ (2) This coverage certificate is extended to cover loss or damage to property:~~

~~_____ (a) Sold and shipped by the "member" under terms of F.O.B. point of origin or other terms usually regarded as terminating the shipper's responsibility short of points of delivery.~~

~~_____ (b) Occasioned by the acceptance by the "insured," by its agents, or by its customers of fraudulent bills of lading, shipping, and delivery orders or similar documents.~~

~~_____ (c) Arising out of any unauthorized person(s) representing themselves to be the proper party(ies) to receive goods for shipment or to accept goods for delivery;~~

~~_____ (d) Incoming to the "member" which is not otherwise recoverable from other insurance.~~

~~_____ (3) (a) The "member" may waive right(s) of recovery against private, contract and common carriers and accept bills of lading or receipts from carriers, bailees, warehousemen, or processors limiting their liability, but this transit coverage shall not inure to the benefit of any carrier, bailee, warehouseman, or processor.~~

~~_____ (b) With respect to shipments made under F.O.B. or similar terms, the "Company" agrees to waive its rights of subrogation against consignees at the option of the "member."~~

~~_____ (4) The "member" is not to be prejudiced by any agreements exempting lightermen from liability.~~

~~_____ (5) Seaworthiness of any vessel or watercraft and airworthiness of any aircraft are admitted between CIRMA and the "member."~~

~~g. Leasehold Interest~~

~~(1) Pro rata proportion from the date of loss to expiration date of the lease (to be paid without discount) on the “member’s” interest in:~~

~~(a) The amount of bonus paid by the “member” as lessee for the acquisition of the lease not recoverable under the terms of the lease for the unexpired term of the lease;~~

~~(b) Improvements and betterments to real property during the unexpired term of the lease which is not covered under any other section of this coverage certificate;~~

~~(c) The amount of advance rental paid by the “member” as lessee and not recoverable under the terms of the lease for the unexpired term of the lease;~~

~~When property is rendered wholly or partially untenable by any of the perils covered herein during the term of this coverage certificate and the lease is cancelled in accordance with the conditions of the lease or by statutory requirements of the appropriate jurisdiction in which the damaged or destroyed property is located; and~~

~~(2) (a) “Interest of the insured as lessee or lessor” when property is rendered wholly or partially untenable by any of the perils covered herein during the term of this coverage certificate and the lease is cancelled in accordance with the conditions of the lease or by statutory requirements of the appropriate jurisdiction in which the damaged or destroyed property is located;~~

~~(b) The “Interest of the insured as lessee or lessor” as referred to herein shall be paid for the first three months succeeding the date of the loss and the “Net Lease Interest” shall be paid for the remaining months of the unexpired lease.~~

~~(3) Definitions:~~

~~The following terms, wherever used in this section shall mean as follows:~~

~~(a) The “Interest of the member as lessee” is defined as:~~

~~(i) The excess of the rental value of similar premises over the actual rental payable by the lessee (including any maintenance or operating charges paid by the lessee) during the term of the lease provided the lease is cancelled by the lessor;~~

~~(ii) The rental income which would have been earned by the member from sublease agreements, to the extent not covered under any other section of this coverage certificate, over and above the rental expenses specified in the lease between the member and the lessor.~~

~~(b) The “Interest of the member as lessor” is defined as: To the extent not covered under any other section of this coverage certificate the difference between the rents payable to the lessor under the terms of the lease in effect at the time of loss and the actual rent collectible by the lessor during the unexpired term of the lease provided the lease is cancelled by the lessee.~~

~~(c) “Net Lease Interest” is defined as that sum which, placed at 6% interest compounded annually, will be equivalent to the “Interest of the member as lessee or lessor.”~~

~~_____ (4) CIRMA shall not be liable for any increase of loss which may be occasioned by the suspension, lapse, or cancellation of any license or by the “member” exercising an option to cancel this lease. Furthermore, the “member” shall use due diligence including all things reasonably practicable to diminish loss under this coverage.~~

~~_____ h. Accounts Receivable~~

~~_____ (1) All sums due the “member” from customers, provided the “member” is unable to effect collection thereof as the direct result of loss of or damage to records of accounts receivable;~~

~~_____ (2) Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectable by such loss or damage;~~

~~_____ (3) Collection expense in excess of normal collection cost and made necessary because of such loss or damage;~~

~~_____ (4) Other expenses, when reasonably incurred by the “member” in reestablishing records of accounts receivable following such loss or damage.~~

~~For the purpose of this coverage, credit card company charge media shall be deemed to represent sums due the “member” from customers, until such charge media is delivered to the credit card company.~~

~~When there is proof that a loss of records of accounts receivable has occurred but the “member” cannot more accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount shall be computed as follows:~~

~~_____ (1) The monthly average of accounts receivable, during the last available twelve months, together with collection expenses in excess of normal collection costs and made necessary because of such loss or damage, and reasonable expenses incurred in reestablishing records of accounts receivable following such loss or damage, shall be adjusted in accordance with the percentage increase or decrease in the twelve months average of monthly gross revenues which may have occurred in the interim.~~

~~_____ (2) The monthly amount of accounts receivable thus established shall be further adjusted in accordance with any demonstrable variance from the average for the particular month in which the loss occurred, due consideration also being given to the normal fluctuations in the amount of accounts receivable within the fiscal month involved.~~

~~There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the “insured,” and an amount to allow for probable bad debts which would normally have been uncollectable by the “member.”~~

~~_____ i. Extensions Of Coverage~~

~~_____ (1) Fire Brigade Charges and Extinguishing Expenses~~

~~If property covered is destroyed or damaged by a peril covered against, this coverage certificate shall cover:~~

~~_____ (a) Fire brigade charges and other extinguishing expenses for which the “member” may be assessed;~~

~~_____ (b) Loss of fire extinguishing materials expended.~~

~~_____ (2) Money and Securities~~

~~This coverage certificate covers the following resulting from a peril insured against:~~

~~_____ (a) The loss of money and securities within a location covered by this Coverage Section or within a bank or savings institution, subject to a maximum of loss of \$10,000; and~~

~~_____ (b) The loss of money and securities away from a location covered by this Coverage Section en route to or from a bank or savings institution or within the living quarters of someone in charge of the property, subject to a maximum loss of \$5,000.~~

~~All loss in connection with an actual or attempted dishonest or criminal act will be considered one loss, regardless of how many people committed the act.~~

~~For the purpose of this Coverage Section, money means currency and coins used as legal tender, travelers checks, register checks, and money orders; securities means documents representing money or property, revenue stamps, other currently used stamps, tokens, tickets, and unused postage on meters, but not money.~~

~~There is no coverage for manuscript, records, or account books.~~

~~_____ (3) Debris Removal~~

~~This coverage certificate covers the following exposures resulting from a peril insured against:~~

~~_____ (a) The cost of removal of debris of property covered hereunder;~~

~~_____ (b) The cost of removal of debris of property not insured hereunder from the premises of the “member.”~~

~~_____ (4) Building Ordinance, Demolition, and Increased Cost of Construction~~

~~In the event of loss or damage under this coverage certificate that invokes the enforcement of any law or ordinance regulating the construction or repair of real property, CIRMA shall be liable for:~~

~~_____ (a) The cost of demolishing the undamaged real property including the cost of clearing the site;~~

~~_____ (b) The proportion that the value of the undamaged part of the real property bears to the value of the entire real property prior to loss;~~

~~_____ (c) Increased cost of repair or reconstruction of the damaged and undamaged real property on same or another site and limited to the costs that would have been incurred in order to comply with the minimum requirements of such law or ordinance regulating the repair or reconstruction of the damaged property on the same site. However, CIRMA shall not be~~

~~liable for any increased cost of construction loss unless the damaged real property is actually rebuilt or replaced within two years from the date of loss.~~

~~_____ (d) Any increase in the business interruption, extra expense, and rental value loss arising out of the additional time required to comply with said law or ordinance.~~

~~_____~~

~~_____~~ **2. Perils Insured**

~~Unless otherwise indicated in the Declarations, this coverage certificate covers all risks of direct physical loss of, or damage to, property described herein including general average, salvage, and all other charges on shipments covered hereunder, except as hereinafter excluded.~~

~~Physical loss or damage shall not include any destruction, distortion, or corruption to any computer data, coding, program, license, or software, or any tangible property, including but not limited to devices, drives, computers, and hardware.~~

~~_____~~ **3. Perils Excluded**

~~_____ This coverage certificate does not insure:~~

~~_____ a. Any fraudulent or dishonest act or acts committed by the “member’s” officials or employees. “Dishonest or fraudulent acts”, as used in this paragraph, shall mean only dishonest or fraudulent acts committed by the “member’s” officials or employees with the manifest intent to:~~

~~_____ (1) Cause the “member” to sustain such loss; and~~

~~_____ (2) Obtain financial benefit for the “member’s” officials, employees, or for any other person or organization intended by the “member’s” officials or employees to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions, or other employee benefits earned in the normal course of employment;~~

~~_____ b. The cost of making good defective design or specifications, faulty material, or faulty workmanship. However, this exclusion shall not apply to loss or damage resulting from such defective design or specifications, faulty material or faulty workmanship;~~

~~_____ c. Errors in processing or manufacture of the “member’s” product unless loss or damage from a peril covered herein ensues and then this coverage certificate shall cover for such ensuing loss or damage;~~

~~_____ d. Ordinary wear, tear, or gradual deterioration unless other loss or damage from a peril covered against herein ensues and then this coverage certificate shall cover for ensuing loss or damage;~~

~~_____ e. Normal settling or shrinkage of walls, floors, or ceilings unless loss or damage from a peril covered herein ensues and then this coverage certificate shall cover for such ensuing loss or damage;~~

~~_____ f. Gradual subsidence unless loss or damage from a peril covered herein ensues and then this coverage certificate shall cover only for such ensuing loss or damage;~~

~~_____ g. Loss of market or business interruption or extra expense loss due to delay with respects to property in transit;~~

~~_____ h. Electrical injury or disturbance to electrical appliances, devices, or wiring caused by electrical currents artificially generated unless loss or damage from a peril covered herein ensues and then this coverage certificate shall cover for such ensuing loss or damage;~~

~~_____ i. Mechanical breakdown unless loss or damage from a peril covered herein ensues and then this coverage certificate shall cover for such ensuing loss or damage;~~

~~_____ j. Explosion, rupture, bursting of steam boilers, steam pipes, steam turbines, or steam engines owned or operated by the "member" unless loss or damage from a peril covered herein ensues and then this coverage certificate shall cover for such ensuing loss or damage. It is agreed that direct loss resulting from the explosion of accumulated gases or unconsumed fuel within the firebox (or combustion chamber) of any fired vessel or within the flues of passages which conduct the gases or combustion therefrom shall be covered hereunder;~~

~~_____ k. Unexplained or mysterious disappearance of property, or shortage found upon taking inventory.~~

~~_____ l. Loss or expense resulting from:~~

~~_____ (1) Asbestos material removal unless the asbestos is itself damaged by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, or leakage or accidental discharge from automatic fire protective systems.~~

~~_____ (2) Demolition or increased cost of reconstruction, repair, debris removal, or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material.~~

~~_____ (3) Any governmental direction or request declaring that asbestos material present in or part of or utilized on any undamaged portion of the "member's" property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.~~

~~The total amount recoverable for both loss to property and asbestos removal expense shall be a part of and not in addition to the limit of liability.~~

~~_____ m. Against loss or damage caused by or resulting from moths, vermin, termites or other insects, inherent vice, latent defect, rust, “fungi, bacteria, wet or dry rot”, dampness of atmosphere, smog, or extremes in temperatures unless loss or damage results from a peril insured herein and then this coverage certificate shall cover for such loss or damage.~~

~~_____ Exclusions b., c., e., f., h., i., j., and k. do not apply to property in transit.~~

~~_____ Exclusions c., h., i., and j. do not apply to alterations, additions, and property while in the course of construction, erection, installation, or assembly.~~

~~_____ Exclusions h., i., and j. do not apply to electronic data processing systems and valuable papers and records.~~

~~_____ **4. Real And Personal Property Excluded**~~

~~This coverage certificate does not cover loss or damage to:~~

~~_____ a. Money notes, securities, stamps, letters of credit, or tickets except as provided under EXTENSIONS OF COVERAGE;~~

~~_____ b. Growing crops, standing timber, and animals except animals held for research; however, coverage for animals held for research shall apply only as respects the perils of fire and extended coverage; and coverage for any “owned police dog” shall apply as follows:~~

~~_____ (1) Coverage for any “owned police dog” includes the cost to replace the animal with one animal of like kind and quality, including travel to acquire said animal, and the cost to train a replacement animal. However, the most we will pay for the replacement animal and its training is up to a limit of \$25,000.00.~~

~~_____ (2) Coverage for any “owned police dog” applies only for death or injuries sustained by the animal while engaged in law enforcement duties.~~

~~_____ (3) For any “owned police dog” injured while engaged in law enforcement duties, whose injuries allow the animal to return to law enforcement duties, the most we will pay for medical treatment is \$5,000.00.~~

~~_____ (4) There is no coverage for retired “owned police dogs” or those “owned police dogs” that die from natural causes.~~

~~Lawns, trees, plants, and shrubs, including debris removal, except when on a “member’s” premises and within 1000 feet of a building owned or occupied by the “member.” The limit of liability shall be the lesser of the replacement cost or \$2,500 per lawn, tree, plant, or shrub not to exceed \$10,000 in the aggregate per “coverage period.”; however this coverage for lawns, trees, plants, and shrubs on a “member’s” premises shall apply only as respects the perils of fire, extended coverage and vandalism and malicious mischief;)~~

~~As respects lawns, trees, plants, and shrubs does not include artificial turf.~~

~~_____d. Watercraft; aircraft, other than an “unmanned aircraft system” unless otherwise provided by addendum;~~

~~_____e. Any land motor vehicle, trailer or semi-trailer, including its equipment and other equipment permanently attached thereto which is owned or leased by the “member” and licensed for highway use when not on the “member’s” premises. However, this exclusion shall not apply to:~~

~~_____ (1) Mobile or contractors’ equipment; or~~

~~_____ (2) Electronic data processing equipment contained in any emergency use vehicle.~~

~~_____f. Waterborne shipments to and from Puerto Rico, Virgin Islands, Hawaii, and Alaska; waterborne shipments via the Panama Canal;~~

~~_____g. Export shipments after loading on board an overseas vessel or after ocean marine insurance attaches, whichever occurs first, and export shipments until they have been discharged from the overseas vessel or until the ocean marine insurance terminates, whichever occurs last;~~

~~_____h. Furs, fur garments, jewels, jewelry, watches, pearls, precious and semi-precious stones, gold, silver, platinum, other precious metals and alloys;~~

~~_____i. Property sold on installment, conditional sale, trust policy, or other deferred payment plan, after delivery to customer;~~

~~_____j. Shipments by mail;~~

~~_____k. Land and Land Values, and water, including water stored in reservoirs, except water which is normally contained within any type of tank, piping system, or other process equipment;~~

~~l. Roads, streets, highways or other paved or unpaved surfaces, sign posts and lights, unless situated within the confines of the legal property lines of any lot in which a “member’s” buildings, structures, parks, beaches, golf courses, other recreational, or similar open areas are located unless otherwise provided by addendum. However, this exclusion does not apply to traffic control boxes, wherever located.~~

~~m. Bridges, dams, and dikes except as specifically provided by addendum.~~

~~n. Culverts, underground pipes, flues, drains, or tanks unless situated within the confines of the legal property lines of any lot in which a “member’s” buildings or structures are located, or as otherwise provided by addendum.~~

~~o. Docks, piers, wharves, or pilings unless otherwise provided by addendum.~~

~~p. Foreclosed property unless otherwise provided by addendum.~~

~~q. Transmission and distribution lines unless situated within the confines of any lot in which a “member’s” buildings or structures are located, or within 1,000 feet thereof.~~

~~r. “Unmanned aircraft systems” unless otherwise provided by addendum.~~

~~5. Valuation~~

~~At the time of loss, the basis of adjustment, unless otherwise provided by addendum, shall be as follows:~~

~~a. Real and Personal Property at replacement cost new, without deduction for depreciation, except as provided below or by addendum.~~

~~b. Property of others at the amount for which the “member” is liable but in no event to exceed replacement cost plus the cost of labor performed and materials expended thereon to the time of loss.~~

~~c. Tenant's Improvement and Betterments:~~

~~(1) If repaired or replaced at the expense of the “member” within a reasonable time after loss, the replacement cost of the damaged or destroyed improvement and betterments.~~

~~(2) If not repaired or replaced within a reasonable time after loss, the proportion of the original cost at the time of installation of the damaged or destroyed property which the unexpired term of the lease or rental policy, whether written or oral, in effect at time of loss bears to the period from the dates such improvements or betterments were made to the expiration date of the lease.~~

~~_____ (3) If repaired or replaced or to be repaired or replaced at the expense of others for the use of the “member.” There shall be no liability hereunder.~~

~~_____ d. Valuable papers and records and media at the cost to repair or replace the property with other property of like kind and quality including the cost of gathering and/or assembling information.~~

~~Valuable papers and records, defined as written, printed, or otherwise inscribed documents and records, including but not limited to books, maps, films, drawings, abstracts, deeds, mortgages, micro-inscribed documents, manuscripts, and data processing media, but not including money and/or securities.~~

~~Securities shall mean all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.~~

~~_____ e. Patterns and dies, at replacement cost if actually replaced within twelve months following the date of loss, otherwise at scrap values.~~

~~_____ f. Electronic Data Processing Equipment: replacement cost new if actually replaced; if not so replaced, at actual cash value (with proper deduction for depreciation). Should the property insured be technologically obsolete or unavailable because it is no longer in production, and should the property be actually replaced then CIRMA shall be liable for the replacement cost new of equipment that will perform the same function(s) as the original equipment.~~

~~_____ g. Fine Arts at appraised value; in the absence of an appraisal, actual cash value.~~

~~_____ h. Contractors and Mobile Equipment and miscellaneous scheduled equipment, shall be adjusted on a replacement cost basis without deduction for depreciation.~~

~~_____ i. Loss or damage to vacant property, except for foreclosed property that a “member” comes into possession or control of, at replacement cost for a period of 180 days from the date property first becomes vacant, after 180 days at actual cash value.~~

~~_____ j. Foreclosed property that a “member” comes into possession or control of, shall be adjusted on an actual cash value basis, unless as specifically provided by addendum.~~

~~For all property covered on a repair or replace basis, if property is not repaired or replaced within two years from the date of the loss, actual cash value will apply.~~

~~C. — PROPERTY COVERAGE SECTION C — EQUIPMENT BREAKDOWN~~

~~In consideration of the premium charged, CIRMA agrees to indemnify the “member” for Equipment Breakdown coverage as described and limited within this PROPERTY COVERAGE SECTION C — EQUIPMENT BREAKDOWN.~~

Equipment Breakdown

~~The term peril insured as referenced under VI. PROPERTY COVERAGE SECTIONS, B. PROPERTY COVERAGE SECTION B includes an “accident.” This coverage certificate shall cover direct physical damage to covered property that is the direct result of an “accident.” As used in this PROPERTY COVERAGE SECTION C — EQUIPMENT BREAKDOWN, “accident” means a fortuitous event that causes direct physical damage to “covered equipment.” The event must be one of the following:~~

~~Mechanical breakdown, including rupture or busting caused by centrifugal force;~~

~~Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;~~

~~Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;~~

~~Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or~~

~~Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.~~

Coverage:

~~—— All coverage under VI. PROPERTY COVERAGE SECTIONS, PROPERTY COVERAGE SECTION B is extended to this Equipment Breakdown coverage. The most CIRMA will pay for loss or damage under this coverage is the applicable Limit amount shown in the Declarations, unless a separate Limit amount is shown under Equipment Breakdown coverages.~~

~~—— Unless otherwise shown in the Declarations, the following coverages also apply to the direct result of an “accident.” These coverages do not provide additional amounts of insurance.~~

Expediting Expenses

~~—— CIRMA will pay for the reasonable extra cost of temporary repair and of expediting the permanent repair or permanent replacement of damaged covered property of the “member,” including overtime and the extra cost of express or other rapid means of transportation, provided CIRMA’s liability under this coverage does not exceed the Limit amount shown in the Declarations.~~

~~Perishable Goods~~

~~CIRMA will pay for:~~

~~Physical damage to “perishable goods” due to spoilage;~~

~~Physical damage to “perishable goods” due to contamination from the release of refrigerant, including but not limited to ammonia;~~

~~Any necessary expenses the “member” incurs to reduce the amount of loss under this coverage, to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.~~

~~If the “member” is unable to replace the “perishable goods” before its anticipated sale, the amount of CIRMA’s payment will be determined on the basis of the sales price of the “perishable goods” at the time of the “accident,” less discounts and expenses the “member” otherwise would have had. Otherwise CIRMA’s payment will be determined in accordance with the Valuation provision under VI. PROPERTY COVERAGE SECTIONS, B. PROPERTY COVERAGE SECTION B.~~

~~The most CIRMA will pay for loss or damage under this coverage is the Limit amount shown in the Declarations.~~

~~Service Interruption~~

~~Any insurance provided for Business Interruption, Extra Expense, Rental Value or Perishable Goods is extended to apply to the “member’s” loss damage or expense caused by the interruption of utility services. The interruption must result from an “accident” to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord’s utility or other supplier who provides the “member” with any of the following services: electrical power, heating, steam, waste disposal, air conditioning, natural gas, compressed air, water, refrigeration, internet access, telecommunications services, wide area networks or “data” transmission. The equipment must meet the definition of “covered equipment” except that it is not covered property.~~

~~The most CIRMA will pay in any “one accident” for loss or damage under this coverage is the applicable limit for Business Interruption, Extra Expense, Rental Value or Perishable Goods, except that if a Limit is shown in the Declarations for Service Interruption, that Limit will apply to Business Interruption, Extra Expense and Rental Value loss under this coverage.~~

~~Data Restoration~~

~~CIRMA will pay for the reasonable and necessary cost to research, replace, and restore “data” (including programs and operating systems) that is lost or corrupted due to an “accident.” The most CIRMA will pay for loss or damage under this coverage, including actual loss of Business Interruption and Rental Value sustained and necessary Extra Expense incurred, if shown as covered, is the Limit amount shown in the Declarations.~~

Hazardous Substances

~~—— CIRMA will pay for the additional cost to repair or replace covered property because of contamination by a “hazardous substance.” This includes the additional expenses to clean up or dispose of such property.~~

~~—— This does not include contamination of “perishable goods” by refrigerant, including but not limited to ammonia, which is addressed in Perishable Goods above. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown coverage had no “hazardous substance” been involved.~~

~~—— The most CIRMA will pay for loss or damage under this coverage, including actual loss of Business Interruption and Rental Value sustained and necessary Extra Expense incurred, if shown as covered, is the Limit amount shown in the Declarations.~~

Green

~~—— With respect to covered property, CIRMA will pay the “member’s” additional cost:~~

~~To repair damaged property using equipment, materials and service firms required or recommended by a “recognized environmental standards program,” if repair is the least expensive option;~~

~~To replace damaged property using equipment, materials and service firms required or recommended by a “recognized environmental standards program,” if replacement is the least expensive option;~~

~~To dispose of damaged property or equipment, if practicable, through a recycling process; and~~

~~To flush out reconstructed space with up to 100% outside air using new filtration media.~~

~~With respect to any building that is covered property and was, at the time of the “accident,” certified by a “recognized environmental standards program,” CIRMA will pay the “member’s” additional cost:~~

~~To prevent a lapse of such certification;~~

~~To reinstate the certification or replace it with an equivalent certification;~~

~~For an engineer authorized by a “recognized environmental standards program” to oversee the repair or replacement of the damaged covered property; and~~

~~For a Professional Engineer to commission or recommission the “member’s” damaged mechanical, electrical, or electronic building systems.~~

~~As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown coverage in the absence of this Green coverage.~~

~~This coverage is subject to the following provisions:~~

~~(1) — This coverage applies in addition to any coverage that may apply under the Environmental, Safety and Efficiency Improvements condition of this PROPERTY COVERAGE SECTION C — EQUIPMENT BREAKDOWN, or any other applicable coverage.~~

(2) ~~— This coverage only applies to covered property that must be repaired or replaced as a direct result of an “accident.”~~

(3) ~~— This coverage does not apply to any covered property to which actual cash value applies.~~

~~The most CIRMA will pay for loss or damage under this coverage, including actual loss of Business Interruption and Rental Value sustained and necessary Extra Expense incurred, if shown as covered, is \$25,000 unless otherwise shown in the Declarations.~~

~~Fungi, Bacteria, Wet And Dry Rot~~

~~CIRMA will pay the “member’s” additional cost to repair or replace covered property because of contamination by “fungi, bacteria, wet or dry rot” resulting from an “accident.” This includes the additional costs to clean up or dispose of such property. This does not include spoilage of personal property that is “perishable goods” to the extent that such spoilage is covered under Perishable Goods coverage.~~

~~As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown coverage had no “fungi, bacteria, wet or dry rot” been involved.~~

~~CIRMA will also pay the cost of testing performed after repair or replacement of the damaged covered property is completed only to the extent that there is reason to believe there is the presence of “fungi, bacteria, wet or dry rot.”~~

~~The most CIRMA will pay in any “one accident” for loss, damage or expense under this coverage, including actual loss of Business Interruption and Rental Value sustained and necessary Extra Expense incurred, if shown as covered, is \$25,000 unless otherwise shown in the Declarations even if the “fungi, bacteria, wet or dry rot” continues to be present or active or recurs in a later policy period.~~

~~Limit Of Liability And Deductible Amounts:~~

a. ~~— Limit of Liability — The limit of CIRMA’s liability for any “one accident” shall not exceed the amount specified as Equipment Breakdown Limit in the Declarations. Coverage provided under this PROPERTY COVERAGE SECTION — EQUIPMENT BREAKDOWN shall not provide an additional amount of insurance.~~

b. ~~— Deductible Amount — Only as regards this PROPERTY COVERAGE SECTION C — EQUIPMENT BREAKDOWN, the Deductible (Applicable to Coverage Section B only) provision under VI. PROPERTY COVERAGE SECTIONS, D. PROPERTY COVERAGE SECTIONS B AND C is deleted and replaced with the following:~~

~~— With respect to any “one accident,” it is agreed that from the total amount of any loss, damage and expense for which CIRMA is liable under this PROPERTY COVERAGE SECTION C — EQUIPMENT BREAKDOWN there shall be first deducted the amount specified as deductible in the Declarations. The deductible in the Declarations applies unless a separate Equipment Breakdown~~

deductible is shown in the Declarations. If a separate Equipment Breakdown deductible is shown, the following applies:

~~Deductibles for Each Coverage~~

~~Unless the Declarations indicates that the “member’s” deductible is combined for all coverages, multiple deductibles may apply to any “one accident.”~~

~~CIRMA will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Declarations. CIRMA will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.~~

~~If deductibles vary by type of “covered equipment” and more than one type of “covered equipment” is involved in any “one accident,” only the highest deductible for each coverage will apply.~~

~~Direct and Indirect Coverages~~

~~Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Declarations.~~

~~Unless more specifically indicated in the Declarations:~~

~~Indirect Coverages Deductibles apply to Business Interruption, Rental Value and Extra Expense loss; and~~

~~Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this PROPERTY COVERAGE SECTION C—EQUIPMENT BREAKDOWN.~~

~~Application of Deductibles~~

~~Dollar Deductibles~~

~~—— CIRMA will not pay for loss, damage or expense resulting from any “one accident” until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Declarations. CIRMA will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable limit of liability.~~

~~Time Deductible~~

~~—— If a time deductible is shown in the Declarations, CIRMA will not be liable for any loss occurring during the specified number of hours or days immediately following the “accident.” If a time deductible is expressed in days, each day shall mean twenty four consecutive hours.~~

~~3. Exclusions:~~

~~All exclusions under V. PROPERTY GENERAL TERMS AND CONDITIONS, General Exclusions as well as VI. PROPERTY COVERAGE SECTIONS, PROPERTY COVERAGE SECTION B, 3. Perils Excluded apply except as modified below and to the extent that coverage is specifically provided by this PROPERTY COVERAGE SECTION C—EQUIPMENT BREAKDOWN.~~

~~The following exclusions are added as respects this PROPERTY COVERAGE SECTION C—EQUIPMENT BREAKDOWN only:~~

~~(1) — CIRMA will not pay for loss, damage or expense caused by or resulting from:~~

~~(a) — Flood, however, if electrical “covered equipment” requires drying out because of such cause of loss, CIRMA will pay for the direct expenses of such drying out, subject to the applicable limit of liability and deductible;~~

~~(b) — Any hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an insulation breakdown test of any type of electrical equipment;~~

~~Any of the following:~~

~~Defect, programming error, programming limitation, computer virus, malicious code, loss of “data,” loss of access, loss of use, loss of functionality or other condition within or involving “data” or “media” of any kind; or~~

~~Misalignment, miscalibration, tripping off line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.~~

~~However, if an “accident” results, CIRMA will pay for that resulting loss, damage or expense caused by that “accident”; or~~

~~(d) — Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. However, if an “accident” results, CIRMA will pay for that resulting loss, damage or expense.~~

~~(2) — With respect to Service Interruption, Green and Fungi, Bacteria, Wet And Dry Rot coverages, CIRMA will also not pay for an “accident” caused by or resulting from: fire, lightning; windstorm or hail; explosion (except as specifically provided in the definition of “accident” above); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.~~

~~(3) — Except as specifically provided under Fungi, Bacteria, Wet And Dry Rot above, CIRMA will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an “accident”: Any “fungi, bacteria, wet or rot,” including any presence, growth, proliferation, spread or any activity of “fungi, bacteria, wet or rot.” This includes, but is not limited to, costs arising from clean up, removal, or abatement of such “fungi, bacteria, wet or rot.” However, this exclusion does not apply to spoilage of personal property that is “perishable goods,” to the extent that such spoilage is covered under Perishable Goods coverage.~~

~~(4) — CIRMA will not pay for any loss or damage to animals.~~

4. — Definitions:

~~All definitions under IV. PROPERTY DEFINITIONS as well as VI. PROPERTY COVERAGE SECTIONS apply. The following definitions are added as respects this PROPERTY COVERAGE SECTION C—EQUIPMENT BREAKDOWN only.~~

~~“Boilers And Vessels” means:~~

~~Any boiler, including attached steam, condensate and feedwater piping; and~~

~~Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.~~

~~This term does not appear elsewhere in this Equipment Breakdown coverage, but may appear in the Declarations.~~

~~“Covered Equipment”~~

~~“Covered equipment” means, unless otherwise specified in the Declarations, covered property:~~

~~That generates, transmits or utilizes energy; or~~

~~Which during normal usage, operates under vacuum or pressure, other than weight of its contents.~~

~~“Covered equipment” may utilize conventional design and technology or new or newly commercialized design and technology.~~

~~None of the following is “covered equipment”:~~

~~Structure, foundation, cabinet or compartment;~~

~~Insulating or refractory material;~~

~~Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;~~

~~Water piping other than boiler feedwater piping, boiler condensate return piping, or water piping forming a part of a refrigerating or air conditioning system;~~

~~“Vehicle” or any equipment mounted on a “vehicle”;~~

~~Satellite, spacecraft or any equipment mounted on a satellite or spacecraft; or~~

~~Dragline, excavation, or construction equipment.~~

~~“Data” means information or instructions stored in digital code capable of being processed by machinery.~~

~~“Hazardous Substance” means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.~~

~~“Electrical Generating Equipment”~~

~~(1) —“Electrical generating equipment” means equipment which converts any other form of energy into electricity. This includes, but is not limited to, the following:~~

~~Boilers used primarily to provide steam for one or more turbine-generator units;~~

~~Turbine generators (including steam, gas, water or wind turbines);~~

~~Engine generators;~~

~~Fuel cells or other alternative “electrical generating equipment”;~~

~~Electrical transformers, switchgear and power lines used to convey the generated electricity; and~~

~~Associated equipment necessary for the operation of any of the equipment listed in (a) —(f) above.~~

~~(2) —“Electrical generating equipment” does not mean:~~

~~Elevator or hoist motors that generate electricity when releasing cable; or~~

~~Equipment intended to generate electricity solely on an emergency, back-up basis.~~

~~This term does not appear elsewhere in this Equipment Breakdown coverage, but may appear in the Declarations.~~

~~“Media” means all forms of electronic, magnetic, and optical tapes and discs for use in any electronic computer or electronic data processing equipment.~~

~~“One Accident” means: if an initial “accident” causes other “accidents,” all will be considered “one accident.” All “accidents” that are the result of the same event will be considered “one accident.”~~

~~“Perishable Goods” means personal property maintained under controlled conditions for its preservation and is susceptible to loss or damage if the controlled conditions change.~~

~~“Recognized Environmental Standards Program” means one of the following:~~

~~The United States Environmental Protection Agency ENERGY STAR[®] program;~~

~~The U.S. Green Building Council LEED[®] program;~~

~~The Green Building Initiative GREEN GLOBES[®] program; or~~

~~Any nationally or internationally recognized environmental standards program designed to achieve energy savings and related objectives of the type included in the programs listed above.~~

~~“Vehicle” means, any machine or apparatus that is used for transportation or moves under its own power. “Vehicle” includes, but is not limited to: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a covered premises and that receives electrical power from an external power source will not be considered a “vehicle.”~~

~~5. —Conditions:~~

~~All conditions under V. PROPERTY GENERAL TERMS AND CONDITIONS, General Conditions as well as VI. PROPERTY COVERAGE SECTIONS apply. The following conditions are added as respects this PROPERTY COVERAGE SECTION C—EQUIPMENT BREAKDOWN only.~~

~~a.——Jurisdictional Inspections~~

~~If any property that is “covered equipment” under this Equipment Breakdown coverage requires inspection to comply with state or municipal boiler and pressure vessel regulations, CIRMA shall be permitted, but is not obligated to perform such inspection on the “member’s” behalf. CIRMA does not warrant that conditions are safe or healthful.~~

~~b.——Suspension~~

~~Whenever “covered equipment,” is found to be in, or exposed to, a dangerous condition, any authorized representative of CIRMA may immediately suspend the Equipment Breakdown coverage against loss from an “accident” to that “covered equipment.” This can be done by mailing or delivering a written notice of suspension to:~~

~~The “member’s” last known address; or~~

~~The address where the “covered equipment” is located.~~

~~Once suspended in this way the “member’s” Equipment Breakdown coverage can be reinstated only by an endorsement for that “covered equipment.” If CIRMA suspends the “member’s” Equipment Breakdown coverage, the “member” will get a pro rata refund of premium for that “covered equipment” for the period of suspension. But the suspension will be effective even if CIRMA has not yet made or offered a refund.~~

~~c.——Environmental, Safety, and Efficiency Improvements~~

~~If “covered equipment” requires replacement due to an “accident,” CIRMA will pay the “member’s” additional cost to replace with equipment that is better for the environment, safer for people, or more energy or water efficient than the equipment being replaced.~~

~~However, CIRMA will not pay to increase the size or capacity of the equipment and will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which actual cash value applies and does not increase any of the applicable limits.~~

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~~D. — PROPERTY COVERAGE SECTIONS B AND C~~

~~GENERAL CONDITIONS~~

~~1. Defined Words~~

~~Whenever the words or phrases appear in this coverage certificate are in quotation marks, they are used as defined in Section IV, Property Definitions, or in the Coverage Parts of this coverage certificate.~~

~~2. Deductible (Applicable to Coverage Section B only)~~

~~a. For each “member” all losses, damages, or expenses arising out of any one occurrence shall be adjusted as one loss and from the amount of such adjusted loss shall be deducted the sum selected by each “member” as shown in the Declarations.~~

~~Whether an occurrence involves a loss at one or more locations, the deductible amount shall apply against the total loss(es) incurred by the “member” from any one occurrence.~~

~~b. For those properties designated by The Army Corps of Engineers to be in Flood Zone A or V, where loss is caused by the peril of flood, the deductible will be \$500,000 as respects each non-residential building, \$500,000 as respects personal property in each non-residential building, \$250,000 as respects each residential building, \$100,000 as respects personal property in each residential building, and \$200,000 per occurrence as respects all other covered property.~~

~~c. With the exception of b. above, if two or more deductible amounts in this coverage certificate apply to a single occurrence per “insured,” the total to be deducted shall not exceed the largest deductible applicable.~~

~~3. Errors or Omissions~~

~~Any unintentional error or omission made by the “member” shall not void or impair the coverage hereunder provided the “member” reports such error or omission as soon as reasonably possible after discovery.~~

~~4. In the Case of Loss~~

~~a. Notice of Loss~~

~~As soon as practicable after any loss or damage occurring under this coverage certificate is known to the “member” or its agent, the “member” shall report such loss or damage to CIRMA or its agent.~~

~~b. Assistance and Cooperation of the “member”~~

~~The “member” shall cooperate with CIRMA and upon CIRMA’s request and reasonable expense, shall attend hearings and trials and shall assist in effecting settlements, in securing and giving evidence, in obtaining the attendance of witnesses, and in conducting “suits.”~~

~~—————c.——Proof of Loss~~

~~It shall be necessary for the “member” to render a signed and sworn proof of loss to CIRMA or its appointed representative within 90 days, stating the place, time, and cause of the loss, damage, or expense; the interest of the “member” and of all others; the value of the property involved in the loss; and the amount of loss, damage, or expense.~~

~~—————d.——Partial Payment Of Loss~~

~~In the event of a loss covered by this coverage certificate, it is understood and agreed that CIRMA may agree in writing to provide partial payment(s) of a claim, subject to the coverage certificate provisions and normal “Company” adjustment process.~~

~~—————e.——Loss Adjustment Expenses (Applicable to Coverage Section B only)~~

~~This coverage certificate is extended to include reasonable and necessary expenses incurred by the “insured,” or by the “member’s” representatives, for preparing and certifying details of a claim resulting from a loss which would be payable under this coverage certificate. However, CIRMA shall not be liable under this clause for expenses incurred by the “member” in utilizing the services of a public adjuster.~~

~~—————f.——Payment Of Loss~~

~~All adjusted claims shall be due and payable no later than 30 days after presentation and acceptance of proofs of loss by CIRMA or its appointed representative.~~

~~—————g.——Reinstatement~~

~~With the exception of loss caused by perils, which are subject to annual aggregate limits as noted in the coverage certificate, no loss hereunder shall reduce the amount of this coverage certificate.~~

~~—————h.——Machinery (Applicable to Coverage Section B Only)~~

~~In case of loss or damage by a covered peril to any part of a machine or unit consisting of two or more parts when complete for use, the liability of the “Company” shall be limited to the value of the part or parts lost or damaged or, at the “member’s” option, to the cost and expense of replacing or duplicating the lost or damaged part or parts or of repairing the machine or unit provided that no such option shall exceed 125% of the lowest of the above.~~

~~—————i.——Pair and Set (Applicable to Coverage Section B Only)~~

~~Except as provided under “machinery,” in the event of loss or damage by a peril covered to any article or articles which are a part of a pair or set, the measure of loss or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set.~~

~~_____ j. Consequential Loss (Applicable to Coverage Section B Only)~~

~~_____ This coverage certificate insures against:~~

~~_____ (1) Consequential loss to the property insured caused by change of temperature or humidity or by interruption of power, heat, air conditioning, or refrigeration resulting from a peril insured against. However, it is agreed that exclusions h., i., and j. contained in Section 3, “Perils Excluded” shall not apply to this extension when such loss or damage occurs at a location that is not owned or operated by the “insured;”~~

~~_____ (2) The reduction in value to the remaining part or parts of any lot of merchandise usually sold by lots or sizes, color ranges, or other classifications due to damage to or destruction of a part of such lots or other classifications due to a peril insured against.~~

~~_____ 5. Inspection~~

~~CIRMA shall be permitted, but not obligated, to inspect the “member’s” real and personal property at any reasonable time. An inspection is for the “Company’s” benefit only. Neither the “Company’s” right to make inspections nor the “Company’s” reports on those inspections shall constitute an undertaking on behalf of or for the benefit of the “member” or others to determine or guarantee that the “member’s” property is safe and not harmful to health.~~

~~_____ 6. Limits Of Liability (Applicable to Coverage Section B only)~~

~~CIRMA shall not be liable for more than the amount specified in the Declarations for any one loss, disaster, or casualty nor in any one “coverage period” for more than the aggregate limits shown for the perils of “flood” or “earthquake”.~~

~~_____ 7. Mortgage Clause~~

~~Loss or damage, if any, under this coverage certificate shall be payable to any mortgagee (or trustee), as designated herein by addendum or evidence of coverage, as interest may appear, under all present or future mortgages upon the property herein described in which the aforesaid may have an interest as mortgagee (or trustee), in order of precedence of said mortgages, and this coverage, as to the interest of the mortgagee (or trustee) only therein, shall not be invalidated by any act or neglect of the mortgagor or owner of the within described property, by any foreclosure or other proceedings or notice of sale relating to the property, nor by any change in the title of ownership of the property, nor by the occupation of the premises for purposes more hazardous than are permitted by this coverage certificate; provided, that in case the mortgagor or owner shall neglect~~

~~to pay any contribution due under this coverage certificate, the mortgagee (or trustee) shall, on demand, pay the same.~~

~~Provided, also, that the mortgagee (or trustee) shall notify this "Company" of any change of ownership or occupancy or increase of hazard which shall come to the knowledge of said mortgagee (or trustee) and, unless permitted by this coverage certificate, it shall be noted thereon and the mortgagee (or trustee) shall, on demand, pay the contribution for such increased hazard for the term of the use thereof; otherwise this coverage certificate shall be null and void.~~

~~CIRMA reserves the right to cancel this coverage certificate at any time as provided by its terms, but in such case this coverage certificate shall continue in force for the benefit only of the mortgagee (or trustee) for 10 days after notice to the mortgagee (or trustee) of such cancellation and shall then cease, and the Reinsurer shall have the right, on like notice, to cancel this coverage certificate.~~

~~If loss hereunder is made payable, in whole or in part, to a designated mortgage holder not named herein, such interest in this coverage certificate may be cancelled by giving to such mortgage holder a ten days' written notice of cancellation.~~

~~If the "member" fails to render proof of loss such mortgage holder, upon notice, shall render proof of loss in the form specified within sixty (60) days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of bringing "suit." If CIRMA claims that no liability existed as to the mortgagor or owner, CIRMA shall, to the extent of payment of loss to the mortgage holder, be subrogated to all the mortgage holder's rights of recovery, but without impairing mortgage holder's rights to sue; or CIRMA may pay off the mortgage debt and require an assignment thereof and of the mortgage. Other provisions relating to the interests and obligations of such mortgage holder may be added hereto by agreement in writing.~~

~~8. Other Insurance (Applicable to Coverage Section B only)~~

~~a. Excess Insurance~~

~~Excess insurance is insurance over the limit of liability set forth in this coverage certificate. The existence of such excess insurance shall not prejudice the coverage provided under this coverage certificate nor will it reduce any liability hereunder.~~

~~b. Underlying Insurance~~

~~(1) Should the "member" elect to maintain insurance on the actual cash value of a property, under the National Flood Insurance Act, as amended, this coverage certificate shall cover excess of loss over the maximum amount of insurance permitted under the act.~~

~~(2) Any other underlying insurance shall be considered "other insurance."~~

~~c. Other Insurance~~

~~Except for insurance as described as Excess or Underlying Insurance, this coverage certificate shall not cover to the extent of any other insurance, whether prior or subsequent hereto in date, and whether directly or indirectly covering the same property against the same perils. CIRMA shall be liable for loss or damage only to the extent of that amount in excess of the amount recoverable from such other insurance.~~

~~9. Suspension (Applicable to Coverage Section B Only)~~

~~Upon the discovery of a dangerous condition with respect to any property, any authorized representative of CIRMA may immediately suspend the coverage with respect to such property by written notice mailed or delivered to the "member" at the address of the "insured," or at the location of the property. Coverage so suspended may be reinstated by CIRMA, but only by an addendum issued to form a part hereof.~~

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