

CONTRACT DOCUMENTS

**CITY OF LINCOLN, NEBRASKA,
LANCASTER COUNTY,
CITY OF LINCOLN - LANCASTER COUNTY
PUBLIC BUILDING COMMISSION**

**Business Card and Letterhead Printing
Bid No. 18-082
(Letterhead only)**

**Cornhusker State Industries
P.O. Box 94661
Lincoln, NE 68509-4661
402-479-5701**

**CITY OF LINCOLN-LANCASTER COUNTY, NEBRASKA and
LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION
CONTRACT TERMS**

THIS CONTRACT, made and entered into by and between Cornhusker State Industries, P.O. Box 94661, Lincoln, NE 68509-4661, hereinafter called "Contractor", and the City of Lincoln, Nebraska, a municipal corporation, and the County of Lancaster, Nebraska, a political subdivision of the State of Nebraska, and the Lincoln-Lancaster County Public Building Commission hereinafter called the "Owners".

WHEREAS, the Owners have caused to be prepared, in accordance with law, Specifications, Plans, and other Contract Documents for the Work herein described, and has approved and adopted said documents and has caused to be published an advertisement for and in connection with said Work, to-wit:

Business Card and Letterhead Printing, Bid No. 18-082 (Letterhead only)

and,

WHEREAS, the Contractor, in response to such advertisement, has submitted to the Owners, in the manner and at the time specified, a sealed Proposal/Supplier Response in accordance with the terms of said advertisement; and,

WHEREAS, the Owners, in the manner prescribed by law has publicly opened, read aloud, examined, and canvassed the Proposals/Supplier Responses submitted in response to such advertisement, and as a result of such canvass has determined and declared the Contractor to be the lowest responsible bidder for the said Work for the sum or sums named in the Contractor's Proposal/Supplier Responses, a copy thereof being attached to and made a part of this Contract;

NOW, THEREFORE, in consideration of the sums to be paid to the Contractor and the mutual covenants herein contained, the Contractor and the Owners have agreed and hereby agree as follows:

1. The Contractor agrees to (a) furnish all tools, equipment, supplies, superintendence, transportation, and other accessories, services, and facilities; (b) furnish all materials, supplies, and equipment specified to be incorporated into and form a permanent part of the complete work; (c) provide and perform all necessary labor in a substantial and workmanlike manner and in accordance with the provisions of the Contract Documents; and (d) execute and complete all Work included in and covered by the Owners' award of this Contract to the Contractor, such award being based on the acceptance by the Owner of the Contractor's Proposal, or part thereof, as follows:

Agreement to line items 1 through 16 of Contractor's Supplier Response Proposal

2. The Owners agree to pay to the Contractor for the performance of the Work embraced in this Contract, the Contractor agrees to accept as full compensation therefore, the following sums and prices for all Work covered by and included in the Contract award and designated above, payment thereof to be made in the manner provided by the Owners:

The Owners will pay for products/service, according to the Line Item pricing as listed in Contractors Proposal/Supplier Response, a copy thereof being attached to and made a part of this Contract. The Owners shall order on an as-needed basis for the duration of the contract. The estimated cost of products or services for City Departments shall not exceed \$6,000.00 during the contract term without approval by the City. The estimated cost of products or services for County Agencies shall not exceed \$4,000.00 during the contract term without approval by the Board of Commissioners. The estimated cost of products or services for the Public Building Commission shall not exceed \$300.00 during the contract term without approval by the Board of the Public Building Commission.

3. Equal Employment Opportunity. In connection with the carrying out of this project, the contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, age or marital status. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, ancestry, disability, age or marital status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other compensation; and selection for training, including apprenticeship.
4. E-Verify. In accordance with Neb. Rev. Stat. 4-108 through 4-114, the contractor agrees to register with and use a federal immigration verification system, to determine the work eligibility status of new employees performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324 a, otherwise known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee pursuant to the Immigration Reform and Control Act of 1986. The Contractor shall not discriminate against any employee or applicant for employment to be employed in the performance of this section pursuant to the requirements of state law and 8 U.S.C.A 1324b. The contractor shall require any subcontractor to comply with the provisions of this section.
5. Termination. This Contract may be terminated by the following:
 - 5.1) Termination for Convenience. Either party may terminate this Contract upon thirty (30) days written notice to the other party for any reason without penalty.
 - 5.2) Termination for Cause. The Owners may terminate the Contract for cause if the Contractor:
 - 5.2.1) Refuses or fails to supply the proper labor, materials and equipment necessary to provide services and/or commodities.
 - 5.2.2) Disregards Federal, State or local laws, ordinances, regulations, resolutions or orders.
 - 5.2.3) Otherwise commits a substantial breach or default of any provision of the Contract Document. In the event of a substantial breach or default the Owners will provide the Contractor written notice of said breach or default and allow the Contractor ten (10) days from the date of the written notice to cure such breach or default. If said breach or default is not cured within ten (10) days from the date of notice, then the contract shall terminate.
6. Independent Contractor. It is the express intent of the parties that this contract shall not create an employer-employee relationship. Employees of the Contractor shall not be deemed to be employees of the Owners and employees of the Owners shall not be deemed to be employees of the Contractor. The Contractor and the Owners shall be responsible to their respective employees for all salary and benefits. Neither the Contractor's employees nor the Owners' employees shall be entitled to any salary, wages, or benefits from the other party, including but not limited to overtime, vacation, retirement benefits, workers' compensation, sick leave or injury leave. Contractor shall also be responsible for maintaining workers' compensation insurance, unemployment insurance for its employees, and for payment of all federal, state, local and any other payroll taxes with respect to its employees' compensation.
7. Owner Inclusion. It is understood and agreed by all parties that "Owner/s" shall include the City of Lincoln, Lancaster County, Nebraska and Lincoln-Lancaster County Public Building Commission. Whenever in the Contract documents, including the instructions to bidders, specifications, insurance requirements, bonds, and terms and conditions or any other documents which are a part of the Contract, a singular entity is referenced (i.e., "the City" or "the County" or "Building Commission") it shall mean the "Owners" encompassing the City of Lincoln, Lancaster County and Lincoln-Lancaster County Building Commission. Notwithstanding the foregoing, the duties and obligations of the City, the County, and the Building Commission pursuant to the Contract shall be treated as divisible and severable duties and obligations,

and default by any one of the City, the County, or the Building Commission shall not be attributed to any other of the Owners, but shall remain the sole obligation of the defaulting entity.

8. Audit Provision: The Contractor shall be subject to an audit and shall, upon request, make available to the Public Building Commission or a contract auditor hired by the Public Service Commission, copies of all financial and performance related records and materials related to this Agreement, as allowed by law.
9. Period of Performance. This Contract shall be effective upon execution by all parties. The term of the Contract shall be a year term with the option to renew for three (3) additional one (1) year terms.
10. The Contract Documents comprise the Contract, and consist of the following:
 1. Contract Terms
 2. Accepted Proposal/Response
 3. Addendum No. 1
 4. Special Provisions
 5. Specifications
 6. Insurance Requirements
 7. Sales Tax Exemption Form 13(Note: This form cannot be used for the WATER Division of the City of Lincoln. The WATER Division is taxable per Reg. 066.14A or applicable laws.)

The herein above-mentioned Contract Documents form this Contract and are a part of the Contract as if hereto attached. Said documents which are not attached to this document may be viewed at: lincoln.ne.gov - Keyword: Bid - Awarded or Closed bids.

The Contractor and the Owners hereby agree that all the terms and conditions of this Contract shall be binding upon themselves, and their heirs, administrators, executors, legal and personal representatives, successors, and assigns.

IN WITNESS WHEREOF, the Contractor and the Owners do hereby execute this contract upon completion of signatures on:

Vendor Signature Page
City of Lincoln Signature Page
Lancaster County Signature Page
City of Lincoln-Lancaster County Public Building Commission Signature Page

Vendor Signature Page

CONTRACT
Business Card and Letterhead Printing
Bid No. 18-082
(Letterhead only)
City of Lincoln, Lancaster County and
City of Lincoln-Lancaster County Public Building Commission
Cornhusker State Industries

EXECUTION BY CONTRACTOR

IF A CORPORATION:

Attest:

Secretary Seal

Name of Corporation

Address

By: _____
Duly Authorized Official

Legal Title of Official

IF OTHER TYPE OF ORGANIZATION:

CORNHUSKER STATE INDUSTRIES
Name of Organization

STATE AGENCY
Type of Organization

807 PIONEER BLVD. LINCOLN, NE. 68502
Address

By: Barbara Payne
Member

By: _____
Member

IF AN INDIVIDUAL:

Name

Address

Signature

City of Lincoln Signature Page

CONTRACT
Business Card and Letterhead Printing
Bid No. 18-082
(Letterhead only)
City of Lincoln, Lancaster County and
City of Lincoln-Lancaster County Public Building Commission
Cornhusker State Industries

EXECUTION BY THE CITY OF LINCOLN, NEBRASKA

ATTEST:

City Clerk

CITY OF LINCOLN, NEBRASKA

Finance Director

Approved by Directorial Order No. _____

dated _____

Lancaster County Signature Page

CONTRACT
Business Card and Letterhead Printing
Bid No. 18-082
(Letterhead only)
City of Lincoln, Lancaster County and
City of Lincoln-Lancaster County Public Building Commission
Cornhusker State Industries

EXECUTION BY LANCASTER COUNTY, NEBRASKA

Contract Approved as to Form:

The Board of County Commissioners of
Lancaster, Nebraska

Deputy Lancaster County Attorney

dated _____

**Lincoln-Lancaster County Public Building Commission
Signature Page**

**CONTRACT
Business Card and Letterhead Printing
Bid No. 18-082
(Letterhead only)
City of Lincoln, Lancaster County and
City of Lincoln-Lancaster County Public Building Commission
Cornhusker State Industries**

EXECUTION BY LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION

ATTEST:

Public Building Commission Attorney

Chairperson, Public Building Commission

dated _____

City of Lincoln/Lancaster County (Lincoln Purchasing) Supplier Response

Bid Information		Contact Information		Ship to Information
Bid Creator	Robert Walla Purchasing Agent	Address	Purchasing\City & County 440 S. 8th St. Lincoln, NE 68508	Address
Email	rwalla@lincoln.ne.gov			Contact
Phone	1 (402) 441-8309 x	Contact	Robert Walla - Purchasing Agent	Department
Fax	1 (402) 441-6513 x			Building
Bid Number	18-082 Addendum 1	Department		Floor/Room
Title	Business Card and Letterhead Printing	Building		Telephone
Bid Type	Bid			Fax
Issue Date	3/17/2018 02:00 PM (CT)	Floor/Room		Email
Close Date	4/2/2018 12:00:00 PM (CT)	Telephone	1 (402) 441-8309 x	
		Fax	1 (402) 441-6513 x	
		Email	rwalla@lincoln.ne.gov	

Supplier Information

Company CORNHUSKER STATE INDUSTRIES (DEPARTMENT OF CORRECTIONS)
 Address NDCS ACCOUNTS PAYABLE
 PO BOX 94661
 LINCOLN, NE 68509-4661

Contact
 Department
 Building
 Floor/Room
 Telephone (402) 479-5701
 Fax (402) 479-5821
 Email
 Submitted 4/2/2018 11:35:17 AM (CT)
 Total \$928.90

By submitting your response, you certify that you are authorized to represent and bind your company.

Signature Jessie Ball Email jessica.ball@nebraska.gov

Supplier Notes

Bid Notes

Only bids from companies with a Web-Based Ordering System will be considered.
 See Specifications for additional requirements.

Bid Activities

Bid Messages

Bid Attributes

Please review the following and respond where necessary

#	Name	Note	Response
1	Agreement to Addendum No. 1	Respondent hereby certifies that the change set forth in this addendum has been incorporated in their proposal and is part of their bid. Reason: See Bid Attachments section for Addendum 1 Information. Vendors must provide insurance that meets the requirements as shown in the Bid Attachment section upon award of a contract. The bid has been extended to 12:00pm on Monday April 2, 2018.	Yes
2	Insurance Requirements and Endorsements	<p>Vendor agrees to provide insurance coverage for each checked box on the Insurance Clause document in the Bid Attachments including the submission of the Certificate of ACORD and the applicable endorsements.</p> <p>Insurance Certificate and required Endorsements are required at time of contract execution by the vendor.</p> <p>Vendors are strongly encouraged to send the insurance requirements and endorsement information to their insurance agent prior to bid close in order to expedite the contract execution process.</p>	Yes
3	Specifications	I acknowledge reading and understanding the specifications.	Yes
4	Electronic Signature	Please check here for your electronic signature.	Yes
5	Instructions to Bidders	I acknowledge reading and understanding the Instructions to Bidders.	Yes
6	Contact	Name of person submitting this bid:	Mitch Salomons
7	Annual Requirements	I acknowledge reading and understanding the Annual Requirements.	Yes
8	City/County Specialty Letterhead	List the additional cost for letterhead with colored or specialty paper and/or additional logos and print from the Standard Design.	22.50
9	Raised Lettering and Logos	List the additional cost to the standard business card and standard letterhead if the customer chooses raised lettering or a raised gold stamp.	Raised Letter Only \$5.00/500 cards
10	Online Ordering Requirement	How many years have you been serving customers with an online ordering system as listed in the Specifications?	15
11	References	List the company name, contact name, address and phone number for at least 2 companies that have utilized your online ordering system in the last 2 years.	Sarpy County, Nebraska Department of Motor Vehicles
12	Custom Orders	Will your company provide quantity pricing to the departments, and include that pricing in the department's online system, as listed in the Line Items below for custom Letterhead and Business Cards?	Yes
13	Emergency Card Orders	Do you have a process in place which allows departments to order small quantities of cards prior to receiving a printed order of 500? YES or NO If yes, what is the cost per card for 50 cards using standard paper and PMS-286 blue ink?	Yes, \$17.50

14	Layout and Design Fee - Business Cards	What is the cost per hour for layout and design of business cards? How much time does it take to layout and design a standard business card?	\$45.00/hr, 20 minutes
15	Layout and Design Fee - Letterhead	What is the cost per hour for layout and design of letterhead? How long does it normally take for the layout and design of standard letterhead?	\$45.00/hr, 20 minutes
16	Orders Below Minimum Order Penalty Fee	What is the penalty fee for agencies ordering cards or letterhead prior to the minimum order being met?	None
17	Double-Sided Business Cards	List the per unit cost of a business card if the customer orders a card with printing on both sides. Pricing based on a minimum order of 250.	\$42.00/250 or .168 each
18	Foldable Business Cards	List the per unit cost of a business card if the customer orders a foldable card with information printed on all 4 sides. Pricing based on a minimum order of 250.	\$52.20/250 or .2088 each
19	Additional Line - Standard Card	Please provide the price for an additional line on the Standard Cards for the listing of a Department Name and/or Division Name. See Bid Attachment for Public Works example	\$14.40/half hour

Line Items

#	Qty	UOM	Description	Response
1	1	Per 100	8.5"x11" Standard City Letterhead YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY - 100 - 500 SHEETS	\$4.70

Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout the City of Lincoln. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 100 sheets. A disk will be provided with page layout and locations of all agencies.

Supplier Notes:

2	1	Per 500	8.5"x11" Standard City Letterhead YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY - 501 - 2000 SHEETS	\$19.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout the City of Lincoln. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 500 sheets. A disk will be provided with page layout and locations of all agencies.

Supplier Notes:

3	1	Per 2000	8.5"x11" Standard City Letterhead YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY - 2,001 - 5,000 SHEETS	\$46.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout the City of Lincoln. Letterhead will be shrink wrapped in bundles of 500. Minimum order shall be 2000 sheets. A disk will be provided with page layout and locations of all agencies.

Supplier Notes:

4	1	Per 5000	8.5"x11" Standard City Letterhead YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY - 5,001 - 10,000 SHEETS	\$90.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout the City of Lincoln. Letterhead will be shrink wrapped in bundles of 500. Minimum order shall be 5001 sheets. A disk will be provided with page layout and locations of all agencies.

Supplier Notes:

5	1	Per 5000	8.5"x11" Standard City Letterhead YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY - 10,001 - 20,000 SHEETS	\$80.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout the City of Lincoln. Letterhead will be shrink wrapped in bundles of 500. Minimum order shall be 5001 sheets. A disk will be provided with page layout and locations of all agencies.

Supplier Notes:

6	1	Per 100	8.5"x11" Standard County Letterhead - Horizontal Printing YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY 100-500	\$4.70
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout Lancaster County. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 100 sheets. A disk will be provided with page layout and locations of agencies.

Supplier Notes:

7	1	Per 500	8.5"x11" Standard County Letterhead - Horizontal Printing YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY 501 - 2,000	\$19.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout Lancaster County. Letterhead will be shrink wrapped in bundles of 500. Minimum order shall be 500 sheets. A disk will be provided with page layout and locations of agencies.

Supplier Notes:

8	1	Per 2000	8.5"x11" Standard County Letterhead - Horizontal Printing YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY 2,001 - 5,000	\$46.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout Lancaster County. Letterhead will be shrink wrapped in bundles of 500. Minimum order shall be 2000 sheets. A disk will be provided with page layout and locations of agencies.

Supplier Notes:

9	1	Per 5000	8.5"x11" Standard County Letterhead - Horizontal Printing YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY 5,001 - 10,000	\$90.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout Lancaster County. Letterhead will be shrink wrapped in bundles of 500. Minimum order shall be 5000 sheets. A disk will be provided with page layout and locations of agencies.

Supplier Notes:

10	1	Per 5000	8.5"x11" Standard County Letterhead YOU MUST BID PER SHEET (PAPER & PRINTING) BID QUANTITY - 10,001 - 20,000 SHEETS	\$80.00
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. One color (PMS-286 blue ink). Price must include delivery to locations throughout the City of Lincoln. Letterhead will be shrink wrapped in bundles of 500. Minimum order shall be 5001 sheets. A disk will be provided with page layout and locations of all agencies.

Supplier Notes:

11	1	Per 500	8.5"x11" County Sheriff Letterhead YOU MUST BID PER Qty of 500 (PAPER & PRINTING) BID QUANTITY 500 - 1,000	\$23.50
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Item Notes: To be printed on 60# Text Tan Exact Offset Opaque paper or equivalent. Price must include delivery to Lancaster County Sheriff. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 500 sheets.

Supplier Notes:

12	1	Per 500	8.5"x11" County Treasurer Letterhead YOU MUST BID PER Qty of 500 (PAPER & PRINTING) BID QUANTITY 500 - 1,000	\$19.00
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Item Notes: To be printed on 60# Text Tan Exact Offset Opaque paper or equivalent. Price must include delivery to Lancaster County Treasurer. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 500 sheets.

Supplier Notes:

13	1	Per 500	8.5"x11" City Council Letterhead YOU MUST BID PER Qty of 500 (PAPER & PRINTING) BID QUANTITY 500 - 1,000	\$22.50
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. Price must include delivery to City Council Office. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 500 sheets.

Supplier Notes:

14	1	Per 500	8.5"x11" County Clerk Letterhead YOU MUST BID PER Qty of 500 (PAPER & PRINTING) BID QUANTITY 500 - 1,000	\$22.50
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. Price must include delivery to Lancaster County Clerk. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 500 sheets.

Supplier Notes:

15	1	Per 500	8.5"x11" City Parking Letterhead YOU MUST BID PER Qty of 500 (PAPER & PRINTING) BID QUANTITY 500 - 1,000	\$22.50
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. Price must include delivery to City Parking Office. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 500 sheets.

Supplier Notes:

16	1	Per 500	8.5"x11" County Commissioner Letterhead YOU MUST BID PER Qty of 500 (PAPER & PRINTING) BID QUANTITY 500 - 1,000	\$22.50
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Item Notes: To be printed on 60# Text White Exact Offset Opaque paper or equivalent. Price must include delivery to Lancaster County Commissioner. Letterhead will be shrink wrapped in bundles of 500 or less. Minimum order shall be 500 sheets.

Supplier Notes:

17	1	Per 500	City of Lincoln Standard Business Card Blue PMS-286 Ink - Provide unit price for order of 500	\$24.00
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Item Notes:

Supplier Notes:

18	1	Per 500	Lancaster County Standard Business Card Blue PMS-286 Ink - Provide unit price for order of 500	\$24.00
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Item Notes:

Supplier Notes:

19	1	Per 250	City of Lincoln Police Department - Custom Business Card Provide unit price for order of 250	No Bid
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Item Notes: See Bid Attachment

Supplier Notes:

20	1	Per 500	City of Lincoln Fire Department Business Card Double Sided - PMS 286 Blue Ink Provide unit price for order of 500	\$24.00
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Item Notes:

Supplier Notes:

21	1	Per 250	Lancaster County Sheriff Department Business Card Tan Paper - Black Ink - Double Sided Bid per unit based on order of 250	\$65.50
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Item Notes: See Attachment

Supplier Notes:

22	1	Per 500	Lancaster County Commissioners Business Card Tan Paper & gold seal Bid per unit price based on order of 500	\$24.00
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Item Notes: See upper left photo on attachment

Supplier Notes:

23	1	Per 500	Lincoln/Lancaster County Planning Commission Business Card multi-colored Bid per unit price based on order of 500	\$24.00
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Item Notes: See middle left photo on attachment

Supplier Notes:

24	1	Per 500	Lancaster County Treasurer Business Card Tan Paper Bid per unit price based on order of 500	\$24.00
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Item Notes: See middle right photo on attachment

Supplier Notes:

25	1	Per 500	City Council Business Card Bid per unit price based on order of 500	\$24.00
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Item Notes: See lower left photo on attachment

Supplier Notes:

26	1	Per 500	City of Lincoln Parking Division - Custom Business Card Provide unit price for order of 500	\$24.00
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Item Notes: See Attachment

Supplier Notes:

27	1	Per 250	City of Lincoln Public Works Special Card NOTICE OF CLAIM Blue PMS-286 Ink - Provide unit price for order of 250	\$59.50
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Item Notes: See Bid Attachment for example

Supplier Notes:

Response Total: \$928.90



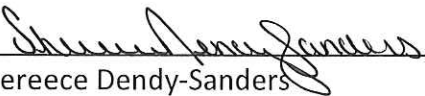
Pete Ricketts, Governor

CERTIFICATE OF SELF-INSURANCE, STATE OF NEBRASKA


The Nebraska Department of Correctional Services – Cornhusker State Industries, an agency of the State of Nebraska, has been asked by Lancaster County to provide this documentation as it relates to providing print shop services.

Under the provisions of Neb. Rev. Stat. § 81-8,239.01 (Reissue 2008), the State of Nebraska purchases excess insurance for property, automobile, and crime, but is self-insured for a portion of any loss. Further, under Neb. Rev. Stat. § 81-8, 239.05, the State of Nebraska shall indemnify its officials and employees for money damages and reasonable costs incurred as a result of an act or omission occurring in the course and scope of employment of such official or employee. However, this shall not apply in case of malfeasance in office or willful or wanton neglect of duty. If there is a liability loss, a claim may be filed with the State Claims Board. The State retains all rights and immunities under the State Tort Claims Act, Neb. Rev. Stat. § 81-8,209 et seq. (Reissue 2008) and any other provisions of law.

Workers' Compensation is statutorily required in Nebraska and the State is self-insured. Occupational diseases are fully covered by law.



Shereece Dendy-Sanders
State Risk Manager



Date

Shereece Dendy-Sanders, State Risk Manager

Department of Administrative Services | RISK MANAGEMENT

PO Box 94974
Lincoln, Nebraska 68509-4974

1526 K Street, Ste. 220
Lincoln, Nebraska 68508

OFFICE 402-471-6500
FAX 402-471-2089

das.nebraska.org

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

555 College Road East, Princeton, NJ 08543-5212

This policy is issued by a nonadmitted insurer, and in the event of the insolvency of such insurer, this policy will not be covered by the Nebraska Property and Liability Insurance Guaranty Association.

POLICY NUMBER: 64-A3-EX-0000006-13

Date Issued: July 1, 2017

**COMMON POLICY DECLARATIONS FOR PUBLIC ENTITY - THIS POLICY MAY INCLUDE CLAIMS-MADE COVERAGE PART(S).
PLEASE READ THE ENTIRE POLICY CAREFULLY**

Item 1. Named Insured and Mailing Address:

Program Administrator Name and Address:

THE STATE OF NEBRASKA
Division of Risk Management
1526 K Street, Suite 220
PO Box 94947
Lincoln, NE 68509-4947

PSI Program Managers
A division of Risk Placement Services, Inc.
Two Pierce Place
Itasca, IL 60143

Licensed Surplus Lines Producer:

Risk Placement Services, Inc. #100187031
Two Pierce Place
Itasca, IL 60143-3141

Item 2. Policy Period: From: July 1, 2017 To: July 1, 2018

At 12:01 A.M. Standard Time at your mailing address shown above.

Item 3. Retroactive Date: See Public Entity All Lines Aggregate Declarations

Item 4. Business Description: State Government Form of Business: Governmental Entity

Item 5. In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

Coverage Part(s)	Premium
Coverage Part I: Property, Inland Marine and Auto Physical Damage	\$1,422,117
Coverage Part II: General Liability and Law Enforcement Liability	Excluded
Coverage Part III: Auto Liability	Included
Coverage Part IV: Errors and Omissions Liability	Excluded
Coverage Part V: Worker's Compensation and Employers Liability Insurance For Qualified Self-Insurers	Excluded
Coverage Part VI: Crime	Included
Coverage Part VII: Foster Parent's Liability	Included
Terrorism Premium (TRIPRA):	REJECTED
Total Policy Premium:	\$1,422,117

Item 6. Forms and Endorsements

Forms(s) and Endorsement(s) made a part of this policy at time of issue: See State of Nebraska DECLARATIONS (02-13)

The Princeton Excess and Surplus Lines Insurance Company

Hereinafter Referred to as The Company

Date:
July 1, 2017

Hary Greene

Authorized Representative

Date:

Licensed Producer Signature, if required by law

THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION(S), TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S), AND FORMS AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Insured: The State of Nebraska

Policy No. 64-A3-EX-0000006-13 Issue Date: July 1, 2017

Endorsement Effective Date: July 1, 2017

Authorized Representative: *Mary Greene*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The Company has caused this policy to be signed by its President and Secretary, but this policy shall not be valid unless countersigned by an authorized representative of the Company, where required.

The Princeton Excess and Surplus Lines Insurance Company

Roi Wilcox

Secretary

John P. Vastun

President

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND
SURPLUS LINES INSURANCE COMPANY**

**PUBLIC ENTITY
ALL LINES AGGREGATE INSURANCE**

This policy is issued by a nonadmitted insurer, and in the event of the insolvency of such insurer, this policy will not be covered by the Nebraska Property and Liability Insurance Guaranty Association.

Policy Number: 64-A3-EX-0000006-13
Policy Period: July 1, 2017 to July 1, 2018
12:01 A.M. Standard Time at your mailing address shown below.

Named Insured (Public Entity): The State of Nebraska
Mailing Address: Division of Risk Management, 1526 K Street, Suite 220, P.O. Box 94947 Lincoln, NE 68509-4947

Premium: \$1,422,117
Certified Acts (TRIA) Premium: **REJECTED**
TOTAL Premium: \$1,422,117

Plus applicable surplus lines taxes.

Payable: Premium is Minimum and Deposit. Loss Fund is fully earned at inception. Premium is due in full at inception.

Princeton Excess & Surplus Lines Insurance is not responsible for the determination of or the collection of or the remittance of statutorily required Excess and Surplus Lines Taxes or Excess and Surplus Lines Stamping Fees nor are such statutorily required taxes and fees included in our quoted premium. Surplus Lines taxes are to be calculated, added and filed by Risk Placement Services, Inc.

DECLARATIONS

- | | |
|--|---|
| Coverage I. | A. Real and Personal Property
B. Automobile Physical Damage
C. Business Income and Extra Expense
D. Property in Transit
E. Data Processing Media and System Equipment |
| Coverage II. | A. General Liability and Law Enforcement Liability
B. Medical Payments |
| Coverage III. | A. Auto Liability
B. Medical Payments |
| Coverage IV.
CLAIMS-MADE
COVERAGE | A. Public Officials Liability
Public Officials Liability Retroactive Date <u>NA</u> |
| Coverage V. | A. Workers Compensation
B. Employer's Liability |
| Coverage VI. | A. Employee Dishonesty
B. Loss Inside the Premises
C. Loss Outside the Premises
D. Money Orders and Counterfeit Paper Currency
E. Forgery or Alteration |
| Coverage VII.
CLAIMS-MADE
COVERAGE | A. Foster Parent's Liability
Foster Parent's Liability Retroactive Date <u>See Endorsement 10</u> |

CLAIMS-MADE NOTICE

This policy provides some coverage(s) on a claims-made basis, and this policy does not provide such claims-made coverage(s) for claims arising out of incidents, occurrences or alleged wrongful acts which took place prior to the retroactive date(s) stated above. Such claims-made coverage(s) require that the "claim" is first made against an insured and reported to us during the policy period or any applicable reporting period. To answer questions about this coverage, contact your insurance agent or broker.

LIMITS OF INSURANCE

PART A. SPECIFIC EXCESS INSURANCE

Limits shown below for Part A., for each coverage, represent the difference between that limit:

Coverage I.	\$ <u>1,000,000</u>	Each Loss
	\$ <u>2,000,000</u>	Annual Flood Aggregate
	\$ <u>2,000,000</u>	Annual Earthquake Aggregate
Coverage II.	A. \$ <u>not covered</u>	Each "Occurrence"
	\$ <u>not covered</u>	Annual Aggregate for Products/Completed Operations
	\$ <u>not covered</u>	Annual Aggregate for Law Enforcement Liability
	\$ <u>not covered</u>	General Annual Aggregate
	B. \$ <u>0</u>	Each Person
	\$ <u>0</u>	Each "Occurrence"
Coverage III.	A. \$ <u>1,000,000</u>	Each "Accident" for "Bodily Injury" or "Property Damage"
	B. \$ <u>10,000</u>	Each Person
	\$ <u>100,000</u>	Each "Accident"
Coverage IV.	A. \$ <u>0</u>	Each "Claim" and Aggregate Limit of Insurance
Coverage V.	A. \$ <u>0</u>	Each "Accident"
	B. \$ <u>0</u>	Each "Accident"
Coverage VI.	A. \$ <u>1,000,000</u>	Each Loss
	B. \$ <u>1,000,000</u>	Each Loss
	C. \$ <u>1,000,000</u>	Each Loss
	D. \$ <u>1,000,000</u>	Each Loss
	E. \$ <u>1,000,000</u>	Each Loss
Coverage VII.	\$ <u>400,000</u>	General Aggregate limit each Foster Household
	\$ <u>400,000</u>	Each "Claim" Limit Coverages A & B
	\$ <u>250</u>	Each "Claim" Limit Coverage C
	\$ <u>5,000</u>	Each "Claim" Limit Coverage D

The following Sublimits are part of and not in addition to the above Each "Claim Limit Coverage A & B and the above General Aggregate Limit each Foster Household.

\$ <u>100,000</u>	Each "Claim" Limit for Physical Abuse and/or "Sexual Abuse"
\$ <u>200,000</u>	Aggregate Limit for Physical Abuse and/or "Sexual Abuse"

And an underlying Self-Insured Retention of:

Coverage I.	\$ <u>200,000</u>	Each Loss
Coverage II.	\$ <u>0</u>	Each "occurrence"
Coverage III.	\$ <u>300,000</u>	Each "Accident"
Coverage IV.	\$ <u>0</u>	Each "Claim"
Coverage V.	\$ <u>0</u>	Each "Accident"
Coverage VI.	\$ <u>25,000</u>	Each Loss
Coverage VII.	\$ <u>200,000</u>	Each "Claim" for Coverages A & B
	\$ <u>100,000</u>	Each "Claim" for Physical Abuse and/or "Sexual Abuse"
	\$ <u>250</u>	Each "Claim for Coverage C
	\$ <u>5,000</u>	Each "Claim" for Coverage D

NOTE: When the applicable Limit of Insurance indicated in PART A. SPECIFIC EXCESS INSURANCE is equal to the amount of the applicable Self-Insured Retention, we have no liability to indemnify you for damages or defense expenses except to the extent coverage is provided under PART B. EXCESS AGGREGATE INSURANCE

PART B. EXCESS AGGREGATE INSURANCE

	\$ <u>1,000,000</u>	Aggregate Limit of Insurance for the period from <u>July 1, 2017</u> to <u>July 1, 2018</u>
Excess of:	\$ <u>5,250,000</u>	Aggregate Loss Fund for the period from <u>July 1, 2017</u> to <u>July 1, 2018</u>

Subject to the Limits of Insurance stated in the Declarations, if the sum of all payments made by you within the Aggregate Loss Fund for covered claims exceeds the limit stated in the Declarations, we will reimburse you for amounts in excess of that Aggregate Loss Fund, provided that 1) you use the Service Organization designated in the Declarations for all covered claims until their conclusion; and 2) the Service Organization provides us with quarterly reports in a format that we have accepted until all claims are handled to their conclusion.

Amounts paid within the Aggregate Loss Fund and Aggregate Excess Insurance are calculated as follows:

From the sum of all payments for covered claims, deduct the following:

- a. Amounts applicable as maintenance deductible(s);
- b. Amounts payable by insurance that is excess of the applicable Self-Insured Retention;
- c. Actual recoveries received from salvage or subrogation;
- d. Actual recoveries received from any other insurer or self-insurer which reduce the amount of any claim(s) either within the Self-Insured Retention or otherwise covered by this insurance.

Sums indicated in clause a. and b. above will be deducted whether collected by you or not.

PART C. CLASH COVERAGE

A. If Part A - Specific Excess Insurance provides insurance under more than one coverage part for:

- (1) A loss, or "claim," or "occurrence,"
- (2) "Ultimate net loss," or
- (3) Compensation and other benefits imposed on you for Worker's Compensation laws,

then you are responsible for the payment of only one underlying Self-Insured Retention. A Self-Insured Retention for Clash Coverage from multiple coverage parts which apply will be calculated as follows:

1. For each applicable Coverage Part, identify the Self-Insured Retention and claim payments by you under that Coverage Part.
2. For each Coverage Part identified in A 1. above, determine the lesser of the applicable Self-Insured Retention and the claim payments made by you under that Coverage Part.
3. Add the payments identified in paragraph A 2. above.
4. The Self-Insured Retention for Clash Coverage is the lesser of:
 - (1) The largest Self-Insured Retention for the Coverage Parts involved; or
 - (2) The total identified in paragraph A 3. above.

B. We will indemnify you for the difference between the sum of all Self-Insured Retentions applicable to Coverage Parts involved in a Clash Coverage loss and the Self-Insured Retention determined through the calculation above. This limit of insurance shall be in addition to the limits of insurance provided by PART A. SPECIFIC EXCESS INSURANCE. The most we will pay for Clash Coverage for any loss under Paragraph A. of Part C. Clash Coverage above is \$725,000.

MAINTENANCE DEDUCTIBLE

The following deductibles apply to each and every loss before the application of any self-insured retention or excess limit and do not deplete the Loss Fund:

The first \$5,000
The first \$5,000

of each loss arising under Coverage I. A., and C.
of each loss arising under Coverage I. B.

OTHER PROVISIONS

Property Records

Schedule(s) of Property Values for Real and Personal Property; Automobile Physical Damage; "Business Income" and "Extra Expense," Property in Transit and Data Processing Media and System Equipment will be maintained by PSI Program Managers, a division of Risk Placement Services, Inc.

Automatic Acquisition Clause - Reporting Threshold

As provided in Condition K, Automatic Acquisition Clause of Coverage Part I, this insurance is automatically extended to cover additional property and interests acquired by you during the term of this policy up to: \$1,000,000. Any additional premium due from adding this property or interest is waived until either the next policy anniversary date or the policy expiration date, whichever is earlier.

Service Organization Designated by You

NRMA of Lincoln, NE is designated by you as the Service Organization to provide claims services and reports as described in General Provisions II IF YOU HAVE AN EVENT, CLAIM OR "SUIT" AND THE ROLE OF THE SERVICE ORGANIZATION.

If the agreement between you and the Service Organization is terminated for any reason without our prior written approval, no insurance will be provided by this policy for any claim reported to us after the termination date of your agreement with the Service Organization.

Forms and Endorsements Attached to this Policy at Inception:

AO 2502 (03-13) - Common Declarations Page

PESVLCW01 (12-13) – Signature Page

State of Nebraska (02-13) - Manuscript Policy Coverage Form

AE 2206 (02-13) – Mandatory Statutory Reporting Requirement Endorsement

SLSOP (02-13) - Service of Process Endorsement

AE 2118 (04-14) – Terrorist Activity Exclusion – State Exception

AE 1601 (02-13) – Flood Zone A & V Exclusion Amendment

AE 2341 (02-13) – Nebraska Uninsured – Underinsured Motorist Coverage (within SIR)

AE 1200 (02-13) - Manuscript Endorsements

1. Nebraska State Insurance Code Endorsement
2. Amendment – Auto Definition to include Mobile Equipment & Watercraft
3. Exclusion – Law Enforcement Activities
4. Amendment – Salvage and Recovery, Other Insurance Conditions
5. Endorsement – Amended Definition of Employee
6. Exclusion – University of Nebraska, not applicable to Nebraska State College System
7. Endorsement – Corridor Retention – Auto Liability
8. Endorsement – Reproduction Cost – State Capitol Building
9. Endorsement – Crime - Section 1 A.2.a deleted in its entirety
10. Endorsement – Foster Parents Liability Retroactive Dates
11. Endorsement - Vehicular Pursuit By Law Enforcement Officers
12. Endorsement – Foster Parent Liability – Amending Foster Child Age to 19
13. Endorsement – Auto Liability and Auto Physical Damage on Specified Vehicles
14. Endorsement - Social Engineering Fraudulent Instruction
15. Endorsement - Foster Parent Liability – Amended Definition of Foster Parent



Authorized Representative

July 1, 2017
Date

**PUBLIC ENTITY
ALL LINES AGGREGATE COVERAGE FORM**

INTRODUCTION

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered. Exclusion titles are used within this policy for convenience only and shall not control or affect the meaning or construction of any provision of this policy.

Throughout this policy the words *you* and *your* refer to the Named Insured shown in the Declarations. The words *we*, *us*, and *our* refer to the Company providing this insurance. The word *insured* means any person or organization qualifying as such under WHO IS AN INSURED. Words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS.

We have no duty to pay for direct physical loss or damage or to indemnify any insured for sums paid to which this insurance does not apply.

POLICY DEFINITIONS

Some words have general meaning throughout this policy and are defined below. Other words have specific definitions within sections of this policy. For those words whose defined meaning applies to a Coverage Part, these words will be defined in that Coverage Part.

1. "Accident," as used in Coverage Part III, means an accidental happening including continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage," arising during the policy period in the "coverage territory."

"Accident," as used in Coverage Part V, means each "accident" or "occurrence" or series of "accidents" or "occurrences" arising out of any one "event" during the policy period in the "coverage territory." An "accident" is deemed to end 72 hours after the "event" commences. Each subsequent 72 hours is deemed to be a separate "accident" period.
2. "Active data processing media" means all forms of converted data and/or program and/or instruction vehicles or material employed in your data processing operation, except unused property.
3. "Administration of employee benefits" means:
 - a. Providing counseling or interpretation; or
 - b. Handling of records in connection with the enrollment, notification, revision, termination, or cancellation of

any life insurance, accident or health insurance, profit sharing plans, 401K or deferred compensation plans, retirement plan, social security, unemployment compensation, workers compensation coverage, disability benefits, expense reimbursement plan, travel insurance, or holiday or vacation plan provided or sponsored for the benefit of any official or "employee" of the insured.
4. "Advertising injury" means injury arising solely out of one or more of the following offenses committed in the course of advertising your goods, products or services:
 - a. 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;
 - b. Oral or written publication of material that violates a person's right of privacy;
 - c. Misappropriation of advertising ideas or style of doing business; or
 - d. Infringement of copyrighted advertising materials, titles or slogans.
5. "Auto" means a land motor vehicle or "trailer" for travel on public roads but does not include "mobile equipment."
6. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
7. "Bodily injury" means injury including physical injury to any person, death, sickness, disease or any mental anguish, shock or disability arising from such "bodily injury."
8. "Business income" means:
 - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
 - b. Continuing normal operating expenses incurred, including payroll.
9. "Claim" means:
 - a. A written demand for damages or a notice advising an insured of an intent to sue;
 - b. A notice of a charge or violation from any government agency;
 - c. An arbitration notice; or

d. A civil proceeding commenced by the service of a summons, complaint or similar pleading received by an insured alleging a "wrongful act."

"Claim" shall not include any criminal action.

More than one "claim" brought by persons or entities arising out of the same "wrongful act" or a series of acts all related to a single "wrongful act" shall be treated as a single "claim" and shall be deemed to have been made at the time that the first "claim" is made against any insured.

10. "Coverage territory" means anywhere in the world if an insured's responsibility to pay damages is determined in a suit or in a settlement we agree to in the United States of America (including its territories and possessions), Puerto Rico or Canada.
11. "Covered cause of loss" means accidental physical loss not otherwise excluded by this policy occurring during the policy period.
12. "Custodian" means you, any of your partners, or any "employee" while having care and custody of the property inside the "premises," excluding any person while acting as a "watch person" or janitor.
13. "Earthquake" means any earthquake, volcanic eruption, subterranean fire, landslide, subsidence, earth sinking and earth rising or shifting or any such convulsion of nature. If more than one earthquake shock shall occur within any period of 72 hours during the term of this insurance, such earthquake shock shall be deemed a single "earthquake."
14. "Emergency property damage" means "property damage":
 - a. Caused by an "employee" or official of the Named Insured (but only while acting within the scope of duty and on behalf of the Named Insured; and
 - b. When property is in danger of being polluted because of sudden and unexpected discharge, dispersal, release or escape of "pollutants."

The onset of the discharge, dispersal, release or escape of "pollutants" must have occurred no more than 72 hours prior to any insured's arrival at the site or location of the "occurrence."

15. "Employee," as used in Coverage Parts I, II, III, IV and V, means any person employed by you or volunteering services to you, a "leased worker," or an elected or appointed official.

"Employee," as used in Coverage Part VI, means:

- a. Any natural person:
 - 1) While in your service, and for 30 days after termination of service;
 - 2) Whom you compensate directly by salary, wages, or commissions; or
 - 3) Whom you have the right to direct and control while performing services for you.
 - b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the "premises." But "employee" does not mean any:
 - 1) Agent, broker, factor, commission merchant, consignee, independent contractor, or representative of the same general character; or
 - 2) Director or trustee except while performing acts within the scope of the duties of an "employee."
16. "Employee dishonesty" means only dishonest acts committed by an "employee," whether identified or not, acting alone or in collusion with other persons, with the manifest intent to cause you to sustain loss and also obtain financial benefit for the "employee" or any person or organization intended by the "employee" to receive that benefit.
 17. "Employment practices" means activities related to recruitment, hiring, evaluation, promotion, demotion, discipline or termination of an "employee."
 18. "Event" means any "accident," "occurrence," or "wrongful act."
 19. "Extra expense" means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property.
 20. "Flood" means surface waters, tide and tidal water, the rising, overflowing or breaking of boundaries of natural or man-made bodies of water or spray, whether wind driven or not, or water that backs up through sewers or drains.
 21. "Insured contract" means any agreement, including a sidetrack agreement, except one pertaining to aircraft, under which the Named Insured assumes liability of others for "bodily injury," "property damage," "personal injury," or "advertising injury."
 22. "Incidental malpractice" means the rendering of or failure to render first aid or medical services by any person other than a doctor, physician, surgeon or dentist, on behalf of the Named Insured. "Incidental malpractice" also includes administrative duties or responsibilities of an insured related to the rendering of first aid or medical services.

23. "Law enforcement activities" means activities, not arising out of "employment practices," while acting within the scope of duty as:
- a. A law enforcement officer or reserve officer;
 - b. An officer of a jail; or
 - c. An "employee" or official representing a law enforcement agency.
24. "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.
- "Leased worker" does not include a worker furnished to you for a finite time period to substitute for a permanent "employee" on a leave or to meet seasonal or short-term workload conditions.
25. "Messenger" means you, any of your partners, or any "employee" while having care and custody of the property outside the "premises."
26. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads.
 - b. Vehicles maintained for use solely on or next to "premises" you own or rent.
 - c. Vehicles that travel on crawler treads.
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - 1) Power cranes, shovels, loaders, diggers or drills; or
 - 2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
 - e. Vehicles described in paragraphs a, b, c, or d above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - 1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lightning and well servicing equipment; or
 - 2) Cherry pickers and similar devices used to raise or lower workers.
 - f. Vehicles not described in paragraphs a, b, c, or d above maintained primarily for the purposes 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":
 - 1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing;
 - (c) Street cleaning;
 - 2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; or
 - 3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
27. "Money" means:
- a. Currency, coins, and bank notes in current use and having a face value; or
 - b. Travelers checks, register checks, and "money" orders held for sale to the public.
28. "Occurrence" means:
- a. With respect to "bodily injury" and "property damage," an accidental happening, including continuous and repeated exposure to substantially the same general harmful conditions which results in "bodily injury" or "property damage." All such exposure to substantially the same general conditions will be considered as arising out of one "occurrence";
 - b. With respect to "personal injury," only the offenses specified in the "personal injury" definition. All damages arising out of substantially the same "personal injury" regardless of frequency, repetition, the number or kind of offenses, or number of claimants, will be considered as arising out of one "occurrence";
 - c. With respect to "advertising injury," only the offenses listed in the "advertising injury" definition. All damages arising out of frequency, repetition, the number or kind of media used, the number or kind of offenses, or the number of claimants, will be considered as arising out of one "occurrence";
- arising during the policy period in the "coverage territory."
29. "Operations" means:
- a. Your business activities occurring at the described "premises"; or
 - b. The tenantability of the described "premises," if coverage for "business income" including "rental value" or "rental value" applies.

30. "Period of restoration" means the period of time that:
- Begins with the date of direct physical loss or damage; and
 - Ends on the date when the property at the described "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality.
31. "Personal injury" means injury, other than "bodily injury," arising out of one or more of the following offenses:
- False arrest, detention or imprisonment;
 - Malicious prosecution or humiliation;
 - False or improper service of process;
 - Publication or utterance of libel or slander or disparaging material or a publication or utterance in violation of an individual's right to privacy;
 - Violation of right of public occupancy;
 - Wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or "premises" that a person occupies by or on behalf of its owner, landlord or lessor;
 - Discrimination, except as respects discrimination arising out of "employment practices";
 - Violation of civil rights, but only as respects "law enforcement activities."
32. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, metals and waste. In addition to "pollutants" to be disposed, waste also includes materials to be recycled, reconditioned or reclaimed.
33. "Premises" means the interior portion of any building you occupy in conducting your business.
34. "Products-completed operations hazard" means all "bodily injury" and "property damage" occurring away from "premises" you own or rent and arising out of "your product" or "your work" except:
- Products that are still in your physical possession; or
 - Work that has not yet been completed or abandoned.
- "Your work" will be deemed completed at the earliest of the following times:
- When all the work called for in your contract has been completed;
 - When all of the work to be done at the site has been completed if your contract calls for work at more than one site;
or
 - 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.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- This hazard does not include "bodily injury" or "property damage" arising out of:
- The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it; or
 - The existence of tools, uninstalled equipment, or abandoned or unused materials.
35. "Property damage" means:
- Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the "occurrence" that caused it.
36. "Property of the insured" means Real and Personal Property, including:
- Completed additions;
 - Permanently installed:
 - Fixtures;
 - Machinery;
 - Equipment;
 - Leasehold improvements and betterments;
 - Outdoor fixtures;
 - Personal Property located in or on your Real Property, including:
 - Furniture and fixtures;
 - Machinery and equipment;
 - Leasehold improvements and betterments;
 - Leased or consigned property for which you have a contractual responsibility to insure;

e. Additions under construction, alteration, installation, repair and renovation;

as per Schedule of Values, for Real and Personal Property, agreed by us and kept on file by the organization designated in the Declarations of the policy.

f. Property of others in your care, custody or control.

37. "Property other than money and securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in Coverage Part I exclusions as Property Not Covered.
38. "Rental value" means:
- Total anticipated rental income from tenant occupancy of the "property of the insured" as furnished and equipped by you;
 - Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations;
 - or
 - Fair "rental value" of any portion of the "premises" occupied by you.
39. "Robbery" means the taking of property from the care and custody of a person by one who has:
- Caused or threatened to cause that person bodily harm; or
 - Committed an obviously unlawful act witnessed by that person.
40. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
- Tokens, tickets, revenue and other stamps, whether represented by actual stamps or unused value in a meter, in current use; or
 - Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money."
41. "Sexual abuse" means any actual, attempted or alleged criminal sexual conduct towards a person by another person, or persons acting in concert, which causes physical and/or mental illness. "Sexual abuse" includes: sexual molestation, sexual assault, sexual exploitation or sexual injury. "Sexual abuse" does not include "sexual harassment."
42. "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature towards a person by another person, or persons acting in concert, which causes physical and/or mental injuries. "Sexual harassment" includes:
- The above conduct when submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
 - The above conduct when such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.
- "Sexual harassment" does not include "sexual abuse."
43. "Suit" means a civil proceeding in which damage because of a "wrongful act," "bodily injury," "property damage," "personal injury" or "advertising injury," arising out of the insured's activities, including "law enforcement activities," "administration of employee benefits" and "incidental malpractice" is alleged. "Suit" includes:
- An arbitration proceeding in which such damage is claimed and to which you must submit or do submit with our consent; or
 - Any other alternative dispute resolution proceeding in which such damage is claimed and to which you submit with our consent.
- "Suit" does not include any criminal proceedings or administrative proceedings other than an Equal Employment Opportunity Commission proceeding.
44. "Theft" means any act of stealing.
45. "Trailer" includes any semitrailer.
46. "Ultimate net loss," as used in Coverage Parts II and III, means the total sum which an insured becomes obligated to pay through either adjudication or compromise by reason of "bodily injury," "property damage," "personal injury" or "advertising injury," arising out of the insured's activities, including "law enforcement activities," "administration of employee benefits" or "incidental malpractice." All recoveries and salvage will be deducted from "ultimate net loss." "Ultimate net loss" also includes:
- Hospital, medical and funeral charges and all sums paid as salaries, wages, compensation, fees, expenses for doctors and nurses;
 - Legal expenses, premiums to release attachments or appeal bonds, expenses for lawyers and investigators and other persons for defense, settlement or investigation of "claims" and "suits" which are paid under Coverage Parts II or III.

"Ultimate net loss," as used in Coverage Part IV, means the total sum which an insured becomes obligated to pay through either adjudication or compromise by reason of a "wrongful act" arising out of the discharge of duties by or on behalf of the Named Insured. All recoveries and salvage will be deducted from "ultimate net loss." "Ultimate net loss" includes legal expenses, premiums to release attachments or appeal bonds, expenses for lawyers and investigators and other persons for defense, settlement or investigation of "claims" and "suits" which are paid under Coverage Part IV.

"Ultimate net loss," as used in Coverage Part VI, means the loss sustained by you as a result of a loss by perils covered under Coverage Part VI after making deductions for all salvages, recoveries, and other insurance. "Ultimate net loss" also includes legal expenses.

"Ultimate net loss," for Coverage Parts II, III, IV, and VI above, does not include:

- a. Judgments or acts deemed uninsurable by law;
- b. Fines, penalties, punitive damages, exemplary damages, or any damages resulting from the multiplication of compensatory damages;
- c. The return of fees, commissions, or brokerage charges;
- d. Fees paid by you to the Service Organization and any expenses incurred by you or the Service Organization in the administration, investigation or settlement of any covered "claim";
- e. Payments, including salaries and expenses, to any employee or official of an insured for services rendered in administering any "claim"; or
- f. Costs, fees and other expenses incurred by you or the Service Organization in establishing the existence of or the amount of any covered loss.

47. "Watch person" means any person you retain to have care and custody of property inside the "premises" and who has no other duties.

48. "Wrongful act" means any actual or alleged tortious error, act, omission, misstatement, misleading statement, neglect or breach of duty committed by an insured, including "employment practices," discrimination (but only as respects discrimination arising out of "employment practices"), violation of civil rights (except as respects "law enforcement activities"), misfeasance, malfeasance, or nonfeasance in the discharge of duties, individually or collectively that results directly but unexpectedly and unintentionally in damage to others. All "claims" involving the same "wrongful act" or a series of continuous or interrelated "wrongful acts," by one or more insureds, will be considered as arising out of one "wrongful act."

49. "Your product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - 1) You;
 - 2) Others trading under your name; or
 - 3) A person or organization whose business or assets you have acquired.
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; or
- b. The providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

50. "Your work" means:

- a. Work or "operations" performed by you or on your behalf; or
- b. Materials, parts, or equipment furnished in connection with such work or "operations."

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; or
- b. The providing of or failure to provide warnings or instructions.

GENERAL PROVISIONS

I. WHO IS AN INSURED

It is agreed that the word insured, as used in this policy, includes:

- A. The Named Insured designated in the Declarations;

- B. Any person or organization to whom the Named Insured is obligated to provide insurance afforded by this policy, because of a written contract, but only for damage or injury arising out of the "premises" or "operations" of the Named Insured.

In addition, the word insured has specific meaning within specific Coverage Parts as outlined below:

A. COVERAGE PART II - General Liability and Law Enforcement Liability

1. Any member of the governing body of the Named Insured, any member of boards or commissions of the Named Insured, and any elected or appointed official of the Named Insured, but only while acting within the scope or the course of duties as a member or as an official;
2. Your "employees" acting within the scope or the course of their employment. However, an "employee" is not an insured for:
 - a. Any damage claimed by a co-employee while in the course of his or her employment; or
 - b. "Property damage" to property owned or occupied by or rented or loaned to that "employee," any of your other employees or any of your partners or members (if you are a partnership or joint venture);
3. Any person (other than your "employee"), or any organization while acting as your real estate manager;
4. Any volunteer or unpaid worker authorized by an official of the Named Insured, but only while acting within the scope or the course of their duties and on behalf of you.

B. COVERAGE PART III - Automobile Liability

1. Anyone using with your permission a covered "auto" you own, hire, or borrow except:
 - a. The owner or anyone else from whom you hire or borrow a covered "auto." This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own;
 - b. Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household unless while used in conjunction with your business;
 - c. 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;
 - d. Anyone other than your "employees," partners, a lessee or borrower or any of their "employees," while moving property to or from a covered "auto";
 - e. A partner of yours for a covered "auto" owned by him or her or a member of his or her household.
2. Anyone liable for the conduct of an insured described above, but only to the extent of that liability.

C. COVERAGE PART IV - Public Officials Liability

1. Any "employee," but only while acting within the scope or the course of their duties as an "employee";
2. Your elected or appointed officials while acting within the scope or the course of their duties as elected or appointed officials;
3. Any person while serving as a member of a board or committee of yours or as a person charged with the duty of executing directives of any such board, committee or a governing board.

II. IF YOU HAVE AN "EVENT," "CLAIM" OR "SUIT" AND ROLE OF THE SERVICE ORGANIZATION

- A. You must use the Service Organization listed in the Declarations for the purpose of providing claims services. If the agreement between you and the Service Organization is terminated for any reason without our prior written approval, no insurance will be provided by this policy for any "claim" reported to us after the termination date of your agreement with the Service Organization.
- B. You, or the Service Organization you have hired to act on your behalf, must:
 1. Investigate any "event";
 2. Immediately record the specifics of the "claim" or "suit" and the date received;
 3. Settle or defend all "claims" or "suits" that are within the applicable Self-Insured Retention;
 4. Afford us the right to associate (at our own expense) in the defense of any "claim" or "suit";
 5. Cooperate with our investigation, settlement or defense of any "claim" or "suit";
 6. Maintain accurate records of all details regarding payments made by you for "claims," and estimated damages, including all expenses;
 7. Furnish quarterly claims records to us, on an approved form.

- C. If we determine that the cost to investigate, settle or defend a "claim" or "suit" covered by Part A. Specific Excess Insurance in the Declarations will be more than the applicable Self-Insured Retention(s) or for any "claim" or "suit" covered by Part B. Excess Aggregate Insurance in the Declarations, then at our sole discretion, we may assume control and direction of the investigation, settlement or defense of that "claim" or "suit."

Amounts we pay, or authorize you to pay, to investigate, settle or defend any "claim" or "suit" are considered part of:

1. Loss under Coverage Part I;
2. "Ultimate net loss" under Coverage Parts II, III, IV, and VI;
3. Compensation and other benefits imposed upon you for Worker's Compensation or "ultimate net loss" under Coverage Part V.

However, if we incur costs that are not otherwise covered by this policy, then we will pay those costs at our own expense.

- D. The following are not payments for a covered "claim":

1. Fees paid by you to the Service Organization and any expenses incurred by you or the Service Organization in the administration, investigation or settlement of any covered "claim";
2. Payments, including salaries and expenses, to any employee or official of an insured for services rendered in administering any "claim";
3. Costs, fees and other expenses incurred by you or the Service Organization in establishing the existence of or the amount of any covered loss.

- E. We will not indemnify you for any:

1. Payment made;
2. Obligation assumed;
3. Expense incurred;

by you or any insured for any amount in excess of the applicable Self-Insured Retention(s) unless you have our prior written consent.

- F. You, or the Service Organization you have hired to act on your behalf, must notify us as soon as practicable of:

1. Any "event" for which loss and/or expense is likely to be equal to or greater than fifty percent (50%) of the applicable Self-Insured Retention.
2. Any "event" involving any of the following:
 - a. Fatality;
 - b. Amputation;
 - c. Serious burns;
 - d. Paralysis;
 - e. Head injuries involving brain damage;
 - f. Spinal injury;
 - g. Multiple fractures;
 - h. Loss of sight;
 - i. Use of any impact weapon by a law enforcement officer which results in "bodily injury";
 - j. "Employment practices";
 - k. Actual or alleged criminal conduct by any insured;
 - l. Discrimination;
 - m. Violation of civil rights;
 - n. Land use.
3. Any "event," "claim" or "suit" that an insured could reasonably believe is covered by Part A. Specific Excess Insurance in the Declarations and could exceed the applicable Self-Insured Retention.
4. Any "suit" filed as a class action.

Notice from you or from the Service Organization on your behalf should include:

1. How, when and where the "event" took place.
2. The names and addresses of any injured persons and witnesses.
3. The nature and location of any injury or damage arising out of the "event."

For any "event" reported to us, you, and any other involved insured, or the Service Organization acting on your behalf 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 in the investigation, settlement or defense of the "claim" or "suit."
4. Assist, upon our request, in the enforcement of any right against any person or organization, which may be liable to any insured for any loss to which this insurance may also apply.

GENERAL CONDITIONS

A. Salvage and Recovery Clause

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the settlement, and adjustments will be made for you and us.

B. Inspections and Audits

We have the right, but are not obligated, to:

1. Make inspections and surveys at any time.
2. Give you reports on the conditions we find.
3. Recommend changes.

Inspections are only related to insurability. We do not make safety inspections or warrant that conditions are safe.

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years after the policy expiration date. There is no time limit on auditing your books and records with respect to "claims" under this policy.

C. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy, only at its anniversary or expiration date, by mailing or delivering to us written notice of cancellation at least 60 days prior to the anniversary date.
2. We may cancel this policy by mailing or delivering the first Named Insured written notice of cancellation at least:
 - a. 10 days prior to the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 60 days prior to this policy's anniversary or expiration date, if we cancel for any other reason.
3. We will mail or deliver our cancellation notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that day.
5. If this policy is cancelled the Aggregate Loss Fund will be considered fully earned.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

D. Bankruptcy

Bankruptcy or insolvency of the insured, or any entity comprising the insured, will not relieve us of our obligations under this policy.

E. Other Insurance

If other valid and collectible insurance is available to the insured for damages covered by this policy, our obligations are limited as follows:

1. This insurance (including the underlying applicable Self-Insured Retention shown in the Declarations) applies excess of:
 - a. Any property, inland marine, automobile physical damage or crime insurance.
 - b. Any general liability, law enforcement liability, employee benefit liability, employment practices liability, public officials liability or directors and officers liability insurance.
 - c. Any business auto or commercial auto liability.
 - d. Any other insurance that protects the insured as an Additional Insured.

2. Excess Insurance

If other insurance is available to you that covers a loss or damage that is also covered by this policy, except for insurance purchased to apply specifically in excess of this policy, then coverage provided by this policy will apply in excess of the other valid and collectible insurance.

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

- a. The total amount that all such other insurance would pay for the loss or damage in the absence of this insurance; and
- b. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss or damage, 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 this insurance.

3. Method of Sharing

If all of the other insurance requires contribution 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 or damage remains, whichever comes first.

If any of the other insurance does not permit contribution 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.

Nothing contained in Condition E shall increase this policy's Limits of Insurance.

F. Mortgage Clause

We will pay for covered loss of or damage to property to each mortgage holder, lienholder or creditor to the extent of their interest as of the date of loss or damage subject to the Limits of Insurance as stated in the Declarations and subject to all terms and conditions of this policy.

G. Loss Payments

We agree to promptly reimburse you for all sums you have paid, in excess of the applicable Self-Insured Retention, for which coverage is provided by this policy.

H. Appeals

In the event that you and we do not agree to appeal a judgment both parties agree to retain a disinterested attorney to render a written opinion regarding the appeal. The written opinion is binding on both of us. The cost and expenses for the opinion will be shared equally by you and us. Your portion of the cost and expenses will not reduce the Aggregate Loss Fund.

I. Litigation Proceedings

You may not sue us to recover for any loss or damage under this insurance for at least 90 days after you have provided us with a completed proof of loss statement.

J. Subrogation and Recoveries

1. If any Insured has rights to recover all or part of any payments we have made under this policy, those rights are transferred to us. You must do nothing after a loss to impair those rights. At our request you must bring "suit" or transfer those rights to us and help us to enforce them.
2. If there are any payments recovered by us, we will disburse those payments as follows:
 - a. The cost of recovery will be deducted from the recovery and repaid in proportion to actual payments made by you, other insurers or us for the expense of recovery.
 - b. After deducting the cost of recovery, if any money remains, it will be repaid in proportion to the actual "claim" payments made by you, other insurers or us.

K. Transfer of your Rights and Duties Under This Policy

Your rights and duties under this policy must not be transferred without our prior written consent.

L. Representations

By accepting this policy, you agree that:

1. The statements in the Declarations are accurate and complete.
2. Those statements are based upon representations you made to us.

3. We have issued this policy in reliance upon your representations.

M. Concealment, Misrepresentation or Fraud

This insurance is void if there is fraud committed by you. It is also void if you or any other insured, intentionally conceal or misrepresent a material fact concerning:

1. This insurance policy;
2. The statements made in any application or attachments used to secure this insurance;
3. Your "claims" experience, whether insured or self insured, for the types of "claims" that are covered by this insurance;
4. The property covered by this insurance or your interest in the covered property; or
5. A "claim" under this policy.

N. Insurance Under Two or More Policy Periods

If insurance under two or more policy periods apply to the same "event," "accident," "occurrence" or "claim," due to either a continuous "occurrence" or the potential application of both "occurrence" and claims-made coverage to the same "event," "accident," "occurrence," or "claim," any "ultimate net loss" shall not exceed the limit for the policy period in effect when such "event," "accident" or "occurrence" giving rise to any "claim" first takes place, and any "ultimate net loss" will be allocated strictly to that policy period, even if such "event," "accident," "occurrence," or "claims" arising therefrom, continue after the termination of that policy.

O. Association

We have the right to associate with any insured in any "claim" or "suit." We may, at our discretion, investigate any "claim" or "suit." The amount we will pay for damages is limited as described in SECTION II - LIMITS OF INSURANCE, of Coverage Part II, and as described in SECTION II – LIMITS OF INSURANCE, of Coverage Part III, and as described is SECTION III – LIMITS OF INSURANCE, of Coverage Part IV. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for by the respective Coverage Part.

GENERAL POLICY EXCLUSIONS

The following Exclusions apply to all Sections and Coverages of this Policy. This insurance does not apply to:

A. Condemnation

Any damages based upon or arising out of eminent domain, condemnation, inverse condemnation or adverse possession.

B. Date Functionality

Any loss or damage arising out of:

- 1) The inability or failure of any "system" to correctly recognize, sequence or compute days or dates or values dependent on those days or dates;
- 2) Any efforts to attain or any failure to attain "date functionality";
- 3) Any supervision, instructions, recommendations, warnings or advice given or which should have been given regarding "date functionality," or as a result of testing for, or identifying, or communicating information about "date functionality";
- 4) Any unlicensed or unauthorized use, modification, deletion, alteration, decompiling, reverse engineering, downloading, or copying of any "system" to attain "date functionality";
- 5) Any infringement of copyright, title, or slogan, or any misappropriation of advertising ideas or style of doing business in an effort to attain "date functionality";
- 6) Any disclosure, nondisclosure, representation or omission regarding "date functionality."

"System" means any computer or compute-related hardware, software or data. "System" also includes but is not limited to processors, chips, circuitry, operating and other electronic systems, networks, programs, code, files, and electronically stored information.

"Date functionality" means the ability of any "system" to correctly recognize, sequence or compute days or dates or values dependent on days or dates.

C. Governmental Fines or Penalties

Any damages, costs, civil fines, penalties or expenses incurred by any insured arising out of any complaint or enforcement action by any federal, state or local government regulatory agency.

This Exclusion does not apply to expenses incurred by any insured for any "employment practice."

D. Lead

1. Any loss or damage arising out of lead or the hazardous properties of lead;
2. Any cost for remedial investigations or feasibility studies or the cost of testing, monitoring, abatement, mitigation, cleaning, removal or disposal of lead or any item(s) containing lead;
3. Any loss or damage arising out of any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with 1 or 2 above; or
4. Any obligation to share damages with or repay someone else who must pay damages in connection with 1, 2, or 3 above.

This Exclusion does not apply to the coverage provided in Insuring Agreement A of Coverage Part V.

E. Mold/Fungus

1. All loss, cost or expense directly or indirectly arising out of, resulting from or in any manner related to Fungal Pathogens whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.
2. "Fungal Pathogens" as utilized herein, shall mean any fungus or mycota or any byproduct or type of infestation produced by such fungus or mycota, including but not limited to, mold, mildew, mycotoxins, spores or any biogenic aerosols.

F. Prior Insurance

Any loss or damage for which any insured is entitled to indemnity or payment by reason of having given notice to an insurer of any circumstance which might give rise to a "claim" under any policy(ies) which terminated or expired prior to the inception date of this insurance.

G. Pollution or Environmental Hazards

1. Any loss or damage which would not have occurred in whole or in part but for the actual, alleged or threatened existence, discharge, dispersal, seepage, migration, release or escape of "pollutants," irritants or hazardous substances at any time;
2. Any loss, cost or expense arising out of any:
 - a. Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any other way respond to, or assess the effects of "pollutants"; or
 - b. "Claim" or "suit" by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants."

This Exclusion does not apply to the coverage provided Insuring Agreement A of Coverage Part V.

This Exclusion does not apply to loss or damage arising out of:

1. Heat, smoke or fumes from a hostile fire;
2. Backup or overflow of any sewer;
3. Use of teargas, mace or similar substance by any public safety officer within scope of employment for the named insured;
4. Collision, upset or overturn of any "auto";
5. "Emergency property damage"; or
6. Use of chemicals by you to purify water sold by you.

H. Silica Dust or Asbestos

1. Any loss or damage arising out of the following diseases:
 - a. Asbestosis;
 - b. Silicosis;
 - c. Mesothelioma;

- d. Emphysema;
- e. Pneumoconiosis;
- f. Pulmonary Fibrosis;
- g. Pleuritis;
- h. Endothelioma;

or any other disease or any ailment caused by or aggravated by asbestos in any form or silica dust.

- 2. Any loss or damage arising out of the existence of asbestos in any form or silica dust, including the costs of investigations or feasibility studies, or the costs of testing, monitoring, abatement, mitigation, cleaning, removal or disposal of any property or substance.
- 3. Any loss or damage arising out of any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with 1 or 2 above.
- 4. Any obligation to share damages with or repay someone else who must pay damages in connection with 1, 2, or 3 above.

This Exclusion does not apply to the coverage provided in Insuring Agreement A of Coverage Part V.

I. Nuclear Energy

- 1. Under Coverage Parts I and VI, this insurance does not apply to nuclear reaction or radiation, or radioactive contamination, however caused. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the loss or damage caused by that fire.
- 2. This insurance does not apply:
 - a. Under Coverage Parts II and III for "bodily injury" or "property damage":
 - 1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability;
 - 2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - b. Under Coverage Parts II and III for expenses incurred with respects 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.
 - c. Under Coverage Parts II and III for "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material," if:
 - 1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - 2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or
 - 3) The "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 of Canada, this Exclusion 3) applies only to "property damage" to such "nuclear facility" and any property thereat.
- 3. As used in this Exclusion:
 - a. "Hazardous properties" include radioactive, toxic or explosive properties.
 - b. "Nuclear material" means "source material," "special nuclear material," or "by-product material."
 - c. "Source material," "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or any law amendatory thereof.
 - d. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

- e. "Waste" means any waste material (1) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (2) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."
- f. "Nuclear facility" means:
 - 1) Any "nuclear reactor";
 - 2) Any equipment or device designed or used for (a) separating the isotopes of uranium or plutonium, (b) processing or utilizing "spent fuel", or (c) handling, processing or packaging "waste";
 - 3) 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;
 - 4) 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.
- g. "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."
- h. "Property damage" includes all forms of radioactive contamination of property.

This Exclusion does not apply to the coverage provided in Insuring Agreement A. and B. of Coverage Part V.

J. **War and Military Action**

- 1. War, including undeclared or civil war;
- 2. Warlike action by a military force including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents;
- 3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

ALL LINES AGGREGATE COVERAGE FORM COVERAGE PART I

INSURANCE FOR REAL AND PERSONAL PROPERTY, AUTOMOBILE PHYSICAL DAMAGE, BUSINESS INCOME AND EXTRA EXPENSE, PROPERTY IN TRANSIT, DATA PROCESSING MEDIA AND SYSTEM EQUIPMENT

SECTION I - INSURING AGREEMENT

Coverage under Insuring Agreements A, B, C, D & E of Coverage Part I only applies to values listed in the Schedule of Values maintained by the organization listed in the Property Records section of the Declarations or to newly acquired property or interests as provided by Condition K, Automatic Acquisition Clause of Coverage Part I.

A. Real and Personal Property

We will pay for direct physical loss of or damage to:

1. "Property of an insured"; or
2. Property for which the insured is obligated by contract to insure

caused by or resulting from any "covered cause of loss" subject to the limitations, terms and conditions of this insurance.

B. Automobile Physical Damage

We will pay for direct physical loss of or damage to an "auto":

1. Owned by an insured; or
2. Which the insured is obligated by contract to insure

caused by or resulting from any "covered cause of loss" subject to the limitations, terms and conditions of this insurance.

C. Business Income and Extra Expense

We will pay for the actual loss of "business income" you sustain due to the necessary suspension of your "operations" during the "period of restoration." The suspension must be caused by direct physical loss of or damage to "property of the insured," caused by or resulting from any "covered cause of loss" subject to the limitations, terms and conditions of this insurance.

1. We will pay any "extra expense" to avoid or minimize the suspension of business and to continue "operations":
 - a. At the described "premises";
 - b. At replacement "premises" or a temporary location, including:
 - 1) Relocation expenses;
 - 2) Costs to equip and operate the replacement or temporary locations.
2. We will pay any "extra expense" to minimize the suspension of business if you cannot continue "operations."
3. We will pay any "extra expense" to:
 - a. Repair or replace any property;
 - b. Research, replace or restore the lost information on damaged valuable papers and records

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Part.

D. Property in Transit

We will pay for direct physical loss or damage caused by or resulting from any "covered cause of loss" to "property of the insured" or property held by you in trust, or on commission or on consignment for which you may be held legally liable while in transit within the limits of the United States of America (excluding its territories or possessions) or Canada. We will also pay for general average and salvage charges on covered shipments while waterborne.

This insurance covers loss of or damage to the "property of the insured" resulting from the acceptance by you, your agent, customer or consignee(s) or others of fraudulent bills of lading, shipping or "messenger" receipts; or obtained by fraud or deceit perpetrated by any person(s) who may represent themselves to be the proper party or parties to receive the property for shipment or to accept it for delivery.

This insurance applies from the time property is loaded on a transport vehicle and leaves the original point of shipment. Insurance continues during the course of transit including temporary warehousing en route until the property is removed from the transport vehicle at the site of the original addressee. Coverage on shipments in transit for export outside of the United States of America or Canada, but not yet insured under Ocean Marine policies will continue until the property is loaded on an aircraft, rail car, vessel, or vehicle which is headed outside of the United States of America or Canada.

E. Data Processing Media and System Equipment

We will pay for direct physical loss of or damage caused by or resulting from any "covered cause of loss" to "active data processing media" or any data processing system, including equipment and component parts, owned by, leased, rented or under your control, for which you may be liable.

SECTION II - EXCLUSIONS

A. Insurance provided by this Coverage Part does not apply to any "claim" or "suits" for damages, whether direct or consequential, which is covered under any other Coverage Part of this policy.

B. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or "event" that contributes concurrently or in any sequence to the loss or damage.

1. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires. But if artificially generated electrical current results in fire, we will pay for the direct physical loss or damage caused by that fire.
2. Delay, loss of use, or loss of market.
3. Wear and tear. However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.
4. Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself. However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.
5. Smog. However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.
6. Settling, cracking, shrinking or expansion. However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.
7. Nesting, infestation, or discharge or release of waste products or secretions by insects, birds, rodents or other animals. However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.
8. Dampness or dryness of atmosphere, changes in or extremes of temperature, marring or scratching. However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.
9. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision. However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.
10. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in a fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
11. Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more.
12. Dishonest or criminal act by you, any of your partners, "employees," directors, trustees, authorized representatives or anyone to whom you entrust property for any purpose:
 - a. Acting alone or in collusion with others;
 - b. Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your "employees"; but "theft" by "employees" is not covered.
13. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, or siting;

- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction, unless fire or explosion ensues and then only for direct loss physical or damage caused by such ensuing fire or explosion;
- c. Materials used in repair, construction, renovation or remodeling;
- d. Maintenance.

However, this exclusion does not apply to any loss directly resulting from a peril not otherwise excluded.

- 14. Any loss caused by or resulting from:
 - a. Delay in rebuilding, repairing or replacing property or resuming "operations" due to interference at the location of the rebuilding, repair or replacement by strikers or other persons;
 - b. Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations," we will cover such loss that affects your "business income" during the "period of restoration."
- 15. Penalties for non-completion of or delay in completion of a construction contract or non-compliance with contract conditions, nor for loss of use of occupancy howsoever caused.
- 16. Under Insuring Agreement C. Business Income and Extra Expense we will not pay for:
 - a. Loss or damage to property rented or leased to others while away from the "premises" of any insured;
 - b. Loss or damage caused by an error in machine programming or instructions to machine;
 - c. Loss or damage that occurs during any period which goods would not have been produced, or business "operations" or services would not have been maintained, for any reason other than physical damage;
 - d. Any loss resulting from disappearance or damage to property in transit.
- 17. Flood Zone A and Flood Zone V, as defined by the National Flood Insurance Program (NFIP).

SECTION III - PROPERTY EXCLUDED

Covered Property does not include:

- 1. Accounts, bills, currency, "money," deeds, food stamps or other evidence of debt, notes or "securities." Lottery tickets held for sale are not "securities."
- 2. Aircraft.
- 3. Watercraft over 50 feet in length.
- 4. Land values, land (including land on which property is located), water, growing crops or lawns.
- 5. Animals, bridges, roads, standing timber, landscaping, or valuable papers, unless such property is clearly described and specific values to replace the property as of the policy inception date or previous policy anniversary date are shown for each property in the Schedule of Values on file with the organization listed in the Property Records section of the Declarations.
- 6. Underground property.
- 7. Retaining walls not part of a building when loss or damage is caused by ice or water pressure.
- 8. Underground mines and mining property located below the surface of the ground and property undergoing insulation breakdown tests.
- 9. Jewelry, furs, precious metals or precious stones.
- 10. Under Coverage E. Data Processing Media and System Equipment, this insurance does not apply to documents except where they are converted into data processing media form.

These exclusions do not apply to the personal property of others impounded by an insured law enforcement agency.

SECTION IV - LIMITS OF INSURANCE

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- 1. Insureds;
- 2. Locations;
- 3. "Claims" made or "suits" brought; or
- 4. Persons or organizations making a "claim" or bringing a "suit";

including loss or damage from any other cause that contributes concurrently or in any sequence to the loss.

We are only liable for amounts in excess of the applicable Self-Insured Retention and we have no liability to pay you until the applicable Self-Insured Retention has been exhausted by the actual payment of "claims" or "suits" to which this insurance applies.

SECTION V - CONDITIONS

A. VALUATION: We will determine the value of Covered Property in the event of loss or damage as follows:

1. Buildings, structures and contents at:
 - a. Replacement Cost with materials of like size, kind and quality, as long as the insured has commenced repairs, rebuilding or replacement within two years after the date of loss or damage.
 - b. Actual Cash Value if the insured does not commence repairs, rebuilding or replacement within two years after the date of loss or damage.
 - c. Actual Cash Value if the building where loss or damage occurs has been vacant for more than 90 consecutive days before that loss or damage occurs. A building is vacant when it is abandoned or does not contain contents to conduct the insured's customary operations.
2. Automobiles and "mobile equipment" at Actual Cash Value on the date of loss or damage, or the cost to repair the damage, whichever is less.
3. Stock you have sold, but not delivered, at the selling price less discounts and expenses you otherwise would have had.
4. Property of others, at the amount for which you are legally liable, but not to exceed the Replacement Cost.
5. Tenant's Improvements and Betterments, at:
 - a. Replacement Cost with materials of like size, kind and quality, as long as the insured has commenced repairs, rebuilding, or replacement within two years after the date of loss or damage.
 - b. Actual Cash Value if the insured does not commence repairs, rebuilding or replacement within two years after the date of loss or damage.
6. Valuable papers and records, including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:
 - a. Blank materials for reproducing the records.
 - b. Labor to transcribe or copy the records when there is a duplicate.
7. Patterns and dies at:
 - a. Replacement Cost if replaced within two years of the date of loss or damage.
 - b. Actual Cash Value as of the date of loss if not replaced within two years of the date of loss or damage.
8. Fine arts at the appraised value of the article on the date of loss or damage.
9. Under Coverage D. Property in Transit we will determine the value of Covered Property in the event of loss or damage as follows:
 - a. Actual invoice value, plus costs and charges (including your commission as selling agent) that have accrued and are legally due, for property shipped to you or for your account.
 - b. Selling invoice value, including prepaid or advanced freight, for property that has been sold by you and shipped to or for the account of the purchaser.
 - c. Actual Cash Value at the point of destination on the date of loss or damage, less any charges saved that would have become due and payable upon delivery at destination for property not under invoice.
10. Under Coverage E. Data Processing Media and System Equipment we will determine the value of Covered Property in the event of loss or damage as follows:
 - a. Actual reproduction cost of data processing media if commencement of reproduction is within two years of the date of loss or damage.
 - b. Replacement Cost of blank data processing materials if not replaced or reproduced within two years of the date of loss or damage.
 - c. Replacement Cost on the date of loss or damage, but not more than the original purchase price for Data Processing Media and Systems Equipment.

B. LOSS DETERMINATION FOR BUSINESS INCOME:

1. We will determine the amount of your "business income" loss based on:
 - a. The Net Income of the business just before the direct physical loss or damage occurred.
 - b. The likely Net Income of the business if no direct physical loss or damage occurred.
 - c. The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage.

- d. Other relevant sources of information, including:
 - 1) Your financial records and accounting procedures, including valuable papers and records of accounts receivable;
 - 2) Bills, invoices and other vouchers;
 - 3) Deeds, liens or contracts.
2. We will determine the amount of your "extra expense" loss based on:
- a. All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - 1) The salvage value that remains for any property bought for temporary use during the "period of restoration," once "operations" are resumed;
 - 2) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same terms, conditions and provisions as this insurance.
 - b. All necessary expenses that reduce the "business income" loss that otherwise would have been incurred.
- C. RESUMPTION OF OPERATIONS: We will reduce the amount of your loss based on:
1. "Business income" loss, other than "extra expense," to the extent you can resume your "operations," in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described "premises" or elsewhere;
 2. "Extra expense" loss to the extent you can return "operations" to normal and discontinue such "extra expense";
- but, if you do not resume "operations," or do not resume "operations" as quickly as possible, we will pay based on the length of time it should have taken to resume "operations" as quickly as possible.
- D. DEBRIS REMOVAL: We will pay the cost to remove debris from Covered Property damaged by a "covered cause of loss." However, we will not pay for:
1. The cost to remove the foundation for any Covered Property;
 2. The cost to extract "pollutants" from land or water, or remove, restore or replace polluted land or water.
- E. REMOVAL CLAUSE: We will pay for the cost to remove any Covered Property and for damage resulting from such removal when the Covered Property is being moved to protect it against further damage from a "covered cause of loss."
- F. APPRAISAL: If we cannot agree on the amount necessary to rebuild, repair or replace the damaged or destroyed Covered Property or the actual amount of reimbursement to be paid, each party shall name a competent and disinterested appraiser and the two so chosen will, before proceeding further, appoint a competent and disinterested umpire. The appraisers together shall obtain reconstruction, replacement or repair estimates, and calculate the amounts of reimbursement due, and failing to agree, will submit their differences to the umpire.
- The award in writing and verified by any two shall determine the points in question. Both parties shall pay the cost of their own appraisers and equally pro rate the cost of the umpire.
- G. CIVIL AUTHORITY CLAUSE: We will pay for loss or damage to Covered Property caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part, provided that the destruction is not caused or contributed to by war, invasion, revolution, rebellion, insurrection or other hostilities or warlike "operations."
- H. ORDINANCE DEFICIENCY. INCREASED COST OF CONSTRUCTION: If a "covered cause of loss" occurs to a Covered Property, then subject to the Limit of Insurance, we will pay for:
1. Loss to the undamaged portion of the Covered Property caused by enforcement of any ordinance or law that:
 - a. Requires the demolition of parts of the same Covered Property not damaged by a "covered cause of loss";
 - b. Regulates the construction or repair of buildings or establishes zoning or land use requirements at the Covered Property;
 - c. Is in force on the date of loss.
 2. The cost to demolish and clear the site of undamaged parts of the Covered Property caused by enforcement of building, zoning or land use ordinance or law.
 3. The increased cost to repair, rebuild or construct the Covered Property caused by the enforcement of building, zoning or land use ordinance or law. If the Covered Property is repaired or rebuilt, it must be intended for similar occupancy as the Covered Property, unless otherwise required by zoning or land use ordinance or law.

For loss payable under paragraph:

1. 1 above, we will pay up to the amount you actually spend to repair, rebuild or reconstruct the Covered Property, but not more than the amount it would cost to restore the Covered Property on the same "premises" and to the same height, floor area, style and comparable quality of the original Covered Property insured.
 2. 2 above, we will not pay more than the amount you actually spend to demolish and clear the site of the Covered Property.
 3. 3 above, we will not pay for the increased cost of construction unless repair or replacement is either complete or commences and is continuing within 24 months of the date of loss. If repair or replacement is not complete within this time period, the most we will pay is the "actual cash value" of the Covered Property on the date of loss or damage.
- I. **EXPENSE TO REDUCE OR PREVENT LOSS:** You will take all reasonable steps to protect Covered Property from further loss or damage and keep a record of your expenses necessary to protect Covered Property, for consideration in the settlement of your "claim." This expense will not increase the Limit of Insurance. We will not pay for any subsequent loss or damage resulting from a cause of loss that is not a "covered cause of loss," nor shall we pay expenses exceeding the amount by which the loss or damage is reduced.
- J. **JOINT LOSS CLAUSE:** When this policy and a Boiler and Machinery policy carried by the Named Insured, contain provisions with substantially the same requirements, procedures and conditions and the damage to the Covered Property was caused by a loss for which both we and the Boiler and Machinery insurer(s) admit to some liability for payment under respective policies, we and the Boiler and Machinery insurer(s) will make payments to the extent, and in the manner described below:
1. We will pay the entire amount of loss that we have agreed as being covered by this Coverage Part and one-half (1/2) the amount of loss that is in disagreement.
 2. The Boiler and Machinery insurer(s) will pay the entire amount of loss that they have agreed as being covered by the Boiler and Machinery insurance and one-half (1/2) the amount of loss that is in disagreement.
 3. The amount in disagreement to be paid by us shall not exceed the amount payable under the equivalent Loss Adjustment Endorsement(s) of the Boiler and Machinery insurance.
 4. The amount we will pay shall not exceed the amount we would have paid had no Boiler and Machinery insurance been in effect at the time of loss.
 5. We and the Boiler and Machinery insurer(s) agree to submit our differences to arbitration.
 6. You agree to cooperate with any arbitration procedures. There will be three arbitrators: one will be appointed by us, and another will be appointed by the Boiler and Machinery insurer(s). The two arbitrators will select a third arbitrator. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. A decision agreed to by two of the three arbitrators will be binding. Judgment on the award can be entered in any court that has jurisdiction.
- K. **AUTOMATIC ACQUISITION CLAUSE:** This Policy is automatically extended to cover additional property and/or interests acquired by you during the term of this policy provided that:
1. The property and/or interests are included in "property of the insured..
 2. The total value of the additional property and/or interests does not exceed the amount indicated in the Declarations as the Reporting Threshold for the Automatic Acquisition Clause.
 3. You provide the organization designated in the Declarations to keep the Schedule of Property Values within 60 days of the acquisition of additional property and/or interests which exceeds the amount indicated in the Declarations as the Reporting threshold for the Automatic Acquisition Clause details of the property and/or interests to enable us to evaluate and calculate an additional premium (if any) that you will pay for the additional values to be insured.
- L. **RECORDS:** The records and books as kept by you are accessible to us in determining the amount of loss or damage to Covered Property.
- M. **LOSS INVOLVING THE PROPERTY OF OTHERS:** In the event of loss or damage, which is likely to exceed the applicable Self Insured Retention indicated in the Declarations, involving property of others in your care, custody or control, we have the right to associate with you in efforts to settle the loss or damage with the owners of the property and to associate with you in the defense of any legal proceedings brought against you for damage to or loss of the property.
- N. The following additional condition applies to Coverage D. Property in Transit: You may accept without prejudice to this insurance, ordinary bills of lading or receipts issued by carriers including those containing released and/or partially released value provisions, but you will not enter into any special agreement with the carriers releasing them from their common law or statutory liability.

ALL LINES AGGREGATE COVERAGE FORM COVERAGE PART II

INSURANCE FOR GENERAL LIABILITY AND LAW ENFORCEMENT LIABILITY

SECTION I - INSURING AGREEMENT

- A. We will indemnify the insured for those sums which the insured becomes legally obligated to pay as "ultimate net loss" because of "bodily injury," "property damage," "personal injury" or "advertising injury," arising out of the insured's activities, including "law enforcement activities," "administration of employee benefits" and "incidental malpractice," to which this insurance applies.
- B. MEDICAL PAYMENTS COVERAGE
1. We will indemnify you for medical expenses as described below for "bodily injury":
 - a. On "premises" you own or rent;
 - b. On ways next to "premises" you own or rent; or
 - c. Because of your "operations."
 2. We will make these payments regardless of fault. These payments will not exceed the applicable Limit of Insurance. We will pay reasonable expenses for:
 - a. First aid administered at the time of an accident;
 - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - c. Necessary ambulance, hospital, professional nursing and funeral services.
- C. GOOD SAMARITAN COVERAGE
- We will indemnify the insured for "ultimate net loss" arising out of "incidental malpractice" by any person (other than a physician, surgeon or dentist) authorized by you if such "incidental malpractice" results from actions at the scene of an accident or medical emergency. However, if the person is acting on behalf of a medical organization which employs or uses the person's services on a volunteer basis, then this coverage does not apply.
- D. Paragraphs A, B, and C only apply to "bodily injury," "property damage," "personal injury," or "advertising injury" caused by an "occurrence" during the policy period.

SECTION II - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. "Claims" made or "suits" brought; or
 - c. Persons or organizations making "claims" or bringing "suits."
2. Each "occurrence" Limit is the most we will pay under this Coverage Part for all damages arising out of a single "occurrence," or offense.
3. The Annual Aggregate for Products-Completed Operations is the most we will pay for damages arising out of the "products-completed operations hazard."
4. The Annual Aggregate Law Enforcement Liability is the most we will pay for damages arising out of "law enforcement activities."
5. The General Annual Aggregate Limit is the most we will pay for the sum of all damages under this Coverage Part arising out of all "occurrences" or offenses other than:
 - a. Damages arising out of the "products-completed operations hazard"; or
 - b. Damages arising out of "law enforcement activities."

The Annual Aggregate Limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed to be part of the last preceding period for purposes of determining the Limits of Insurance.

We are only liable for amounts in excess of the applicable Self-Insured Retention and we have no liability to indemnify you until the applicable Self-Insured Retention has been exhausted by your actual payment of "claims" or "suits" to which this insurance applies.

SECTION III - EXCLUSIONS

- A. **Insurance provided by this Coverage Part does not apply to any “claim” or “suits” for damages, whether direct or consequential, which is covered under any other Coverage Part of this policy.**
- B. **The following exclusions apply to any “claim” or “suit” made under this Coverage Part. This insurance does not apply to:**
1. **Aircraft, Airports and Watercraft**

Any damages resulting from of the ownership, operation, maintenance, use (including loading or unloading), or entrustment to others of any:

 - a. Aircraft;
 - b. Airport other than buildings or “premises” to which the general public is admitted;
 - c. Watercraft either 1) over 50 feet in length, or 2) used to carry persons or property for a charge.
 2. **Medical and Professional**

Any damages resulting from:

 - a. An insured’s actions or failure to act as a doctor, physician, surgeon or dentist;
 - b. Injury to any patient or person receiving medical care or treatment at any hospital, clinic, or nursing home. This Exclusion does not apply to damages that are covered by Insuring Agreement C - Good Samaritan Coverage.
 3. **Employment Practices**

Any damages resulting from “employment practices” of any insured.
 4. **Expected or Intended Damage or Injury**

Any damages expected or intended from the standpoint of an insured, including assault and battery. This Exclusion does not apply to:

 - a. Damages resulting from use of force by public safety officers to protect persons or property (unless deemed to be a criminal act); or
 - b. Damages resulting from the use of reasonable force by an insured (other than public safety officers) to protect persons or property.
 5. **Liability Assumed by Contract**

Any damages the insured is obligated to pay by reason of the assumption of liability in a contract or agreement. This Exclusion does not apply to liability for damages:

 - a. Assumed in a contract or agreement that is an “insured contract”;
 - b. That the insured would have in the absence of the contract or agreement.
 6. **Physical and Sexual Abuse**

Any damages resulting from physical or “sexual abuse” by any “employee.”
 7. **Professional Liability of Legal Staff**

Any damages resulting from the professional acts of lawyers, paralegals, or legal assistants unless acting within the course and scope of employment by or on behalf of you.
 8. **Professional Opinions Paid For By Others**

Any damages resulting from the rendering or failure to render any professional opinion, treatment, consultation or service if such professional opinion, treatment, consultation or service was rendered or was failed to have been rendered while an insured was compensated by any person or organization other than you.
 9. **Workers’ Compensation, Injury to Employees**
 - a. Any obligation of the insured under a Worker’s Compensation (including The United States Longshoremen and Harborworkers’ Act, the Federal Employee’s Liability Act or the Jones Act), disability benefits, employers liability, unemployment compensation law or similar law.
 - b. “Bodily injury” to:
 - 1) An Insured’s “employee” arising out of and in the course and scope of employment by an insured while performing duties related to the conduct of the insured’s business, except for first aid, medical or paramedical services administered to an insured’s “employee” by any other “employee” who is not a doctor or dentist;

- 2) The spouse, child, parent, brother, or sister of an Insured's "employee" as a consequence of Paragraph a. above.

This Exclusion applies:

- 1) Whether the insured may be liable as an employer or in any other capacity;
- 2) 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 the insured under an "insured contract."

C. The following Exclusions apply to any "claims" for "bodily injury" under Insuring Agreement B. Medical Payments Coverage. We will not pay damages for "bodily injury":

1. To any insured.
2. To a person hired to do work for or on behalf of any insured.
3. To any tenant of any insured.
4. To a person injured on that part of "premises" you own or rent and that the person normally occupies.
5. To a person, whether or not an insured's "employee," if benefits for the "bodily injury" are payable or must be provided under a worker's compensation or disability benefits law or a similar law.
6. To a person injured while taking part in athletics.
7. Resulting from the "products-completed operations hazard."
8. Resulting from "law enforcement activities."

D. The following Exclusions apply to any "claims" or "suits" resulting from "personal injury" or "advertising injury." This insurance does not apply to:

1. Personal Injury or Advertising Injury

"Personal injury" or "advertising injury":

- a. Resulting from oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Resulting from oral or written publication of material whose first publication took place before the beginning of the policy period;
- c. Resulting from the willful violation of a penal statute or ordinance committed by or with the consent of the insured.

2. Advertising Injury

"Advertising injury" resulting from:

- a. Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- b. The failure of goods, products or services to conform with advertised quality or performance;
- c. The wrong description of the price of goods, products, or services;
- d. An offense committed by any insured whose business is advertising, broadcasting, publishing, or telecasting.

E. The following exclusions apply to all "claims" or "suits" made under this Coverage Part for "property damage." This insurance does not apply to "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;
4. Personal property in the care, custody or control of any insured;
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."
6. That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it;
7. "Your product" or "your work" arising out of it or any part of it and included in the "products-completed operations hazard" unless the damage to "your product" or "your work" arises out of work performed on your behalf by a subcontractor.

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.

Paragraph 6 of this Exclusion does not apply to “property damage” arising out of the “products-completed operations hazard.”

F. The following Exclusions apply to all “claims” or “suits” made under this Coverage Part for “administration of employee benefits.” This insurance does not apply to:

1. Bonds or Taxes

Any damages resulting from:

- a. The issuance of bonds; or
- b. The improper collection of taxes.

2. Fiduciary Liability

Any damages resulting from any fiduciary obligation or fiduciary duty imposed by:

- a. The Employee Retirement Income Security Act (ERISA);
- b. The Pension Benefit Act;
- c. The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA); or
- d. Section 89 of the Internal Revenue Code;

or any amendments thereto or similar provisions of any federal, state or local, statutory or common law.

3. Third Party Administrator

Any damages resulting from an activity, act or omission of a Third Party Administrator, a firm or person, other than an “employee” of yours, who administers your Employee Benefits Program.

4. Contracts

Any damages resulting from the failure of any insurer to perform under any contract or agreement.

5. Investment Performance

Any damages resulting from the performance of any investment.

6. Self-Dealing and Dishonesty

Any damages resulting from:

- a. Any dishonest, fraudulent, criminal or malicious act or omission of any insured or insured’s “employee”;
- or
- b. Self-dealing or gaining profit or advantage to which an insured is not legally entitled.

7. Bodily Injury, Property Damage or Personal Injury

ALL LINES AGGREGATE COVERAGE FORM COVERAGE PART III

INSURANCE FOR AUTOMOBILE LIABILITY

SECTION I – INSURING AGREEMENT

- A. We will indemnify you for all sums which you become legally obligated to pay as “ultimate net loss” because of “bodily injury” or “property damage” to which this insurance applies, caused by an “accident” and resulting from the ownership, maintenance and use of a covered “auto.”
- B. **MEDICAL PAYMENTS COVERAGE**
1. We will indemnify you for medical expenses as described below for "bodily injury" caused by an “accident” arising from ownership, operation, maintenance or use of your "auto" provided that:
 - a. The “accident” takes place during the policy period;
 - b. The expenses are incurred and reported to us within one year of the date of the “accident”; and
 - c. The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
 2. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - a. First aid administered at the time of an “accident”;
 - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - c. Necessary ambulance, hospital, professional nursing and funeral expenses.

SECTION II – LIMITS OF INSURANCE

- A. The Limits of Insurance 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. “Autos.”
- B. The Auto Liability Limits of Insurance are the most we will pay for “bodily injury” or “property damage” arising out of the ownership, operation, maintenance or use (including loading and unloading), or entrustment to others of any “auto.”

We will only indemnify you for amounts in excess of the applicable Self-Insured Retention and we will not indemnify you unless and until the applicable Self-Insured Retention has been exhausted by your actual payment of “claims” or “suits” to which this insurance applies.

SECTION III – EXCLUSIONS

- A. **Insurance provided by this Coverage Part does not apply to any “claim” or “suits” for damages, whether direct or consequential, which is covered under any other Coverage Part of this policy.**
- B. **The following Exclusions apply to all “claims” or “suits” made under this Coverage Part. This insurance does not apply to:**
1. **Expected or Intended Damage or Injury**
Any damages expected or intended from the standpoint of an insured.
 2. **Liability Assumed by Contract**
Any damages an insured is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:
 - a. Assumed in a contract or agreement that is an “insured contract,” or
 - b. That the insured would have in the absence of the contract or agreement.

3. Worker's Compensation, Injury to Employees

- a. Any obligation of an insured under a Worker's Compensation (including the United States Longshoremen and Harborworkers' Act, the Federal Employee's Liability Act or the Jones Act), disability benefits, employers liability, unemployment compensation law or similar law.
- b. "Bodily injury" to:
 - 1) An insured's "employee" arising out of and in the course and in the scope of employment by an insured while performing duties related to the conduct of an insured's business, except for first aid, medical or paramedical services administered to an insured's "employee" by any other "employee" who is not a doctor or dentist; or
 - 2) The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph 3. a. above.

This Exclusion applies:

- 1) Whether the insured may be liable as an employer or in any other capacity; and
- 2) 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 the insured under an "insured contract."

4. Care, Custody or Control

"Property damage" to or involving property owned or transported by an insured or in an insured's care, custody or control. But this exclusion does not apply to "property damage" when an insured has assumed liability under a sidetrack agreement.

5. Handling of Property

Damages resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by an insured for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by an insured.

6. Movement of Property by Mechanical Device

Damages resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to a covered "auto."

7. Operations

Damages resulting from the operation of any equipment listed in paragraphs f.2) and f.3) of the definition of "mobile equipment."

8. Completed Operations

Damages resulting from "your work" after that work has been completed or abandoned. In this Exclusion, "your work" means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or "operations."

"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 paragraphs 8.a. or 8.b. above.

"Your work" will be deemed completed at the earliest of the following times:

- 1) When all of the work called for in your contract has been completed.
- 2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- 3) 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.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

9. Racing

Damages resulting from covered "autos" used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

ALL LINES AGGREGATE COVERAGE FORM COVERAGE PART IV

INSURANCE FOR PUBLIC OFFICIALS LIABILITY - CLAIMS-MADE

NOTICE: THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

SECTION I – INSURING AGREEMENT

We will indemnify you for all sums which you become legally obligated to pay as “ultimate net loss” because of any “wrongful act” resulting from the discharge of duties by or on behalf of the Named Insured provided always that:

1. The “claim” on account of such “wrongful act,” is first made against an insured and reported to us, in compliance with GENERAL PROVISIONS SECTION II - IF YOU HAVE AN “EVENT,” “CLAIM” OR “SUIT” AND THE ROLE OF THE SERVICE ORGANIZATION, during the policy period or any applicable reporting period under SECTION IV - REPORTING PERIODS;
2. As of the inception date of this policy, no insured had any knowledge of any circumstance likely to result in or give rise to a “claim” nor could any insured have reasonably foreseen that a “claim” might be made.

For purposes of Paragraph A1. of SECTION I – INSURING AGREEMENT: If, during the policy period or any applicable reporting period under SECTION IV - REPORTING PERIODS, an insured gives written notice to us, of a “wrongful act” likely to result in a “claim,” then any “claim” that may subsequently be made against an insured resulting from such “wrongful act” shall be deemed to have been made during the policy period or any applicable reporting period.

SECTION II - LIMITS OF INSURANCE

- A. The Limits of Insurance 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 a “claim” or bringing a “suit.”
- B. Our total liability for damages as a result of all claims covered under this Coverage Part shall not exceed the amount stated in the Declarations as Aggregate Limit of Insurance for Coverage Part IV.
- C. Subject to the above provision respecting Aggregate Limit, our liability for damages as a result of any one “wrongful act” covered under this Coverage Part shall not exceed the amount stated in the Declarations as Limit of Insurance.
- D. The Limits of Insurance for this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, other than a reporting period, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.
- E. Any applicable reporting period under SECTION IV - REPORTING PERIODS shall be deemed to be part of the last preceding policy period for purposes of determining the Limits of Insurance. The Limits of Insurance do not apply separately to any reporting period under SECTION IV - REPORTING PERIODS.

We are only liable for amounts in excess of the applicable Self-Insured Retention and we have no liability to indemnify you until the applicable Self-Insured Retention has been exhausted by your actual payment of “claims” or “suits” to which this insurance applies.

SECTION III - EXCLUSIONS

- A. **Insurance provided by this Coverage Part does not apply to any “claim” for damages, whether direct or consequential, which is covered under any other Coverage Part of this policy.**
- B. **This insurance does not apply to:**
 1. **Administration of Employee Benefits**
Any damages resulting from the “administration of employee benefits.”
 2. **Airports, Aircraft**

Any damages resulting from the ownership, operation, maintenance or use including the entrustment to others of any aircraft, airfields, runways, hangars, buildings or other properties in connection with aviation activities.

3. Bodily Injury, Property Damage, Personal Injury or Advertising Injury

Any damages resulting from:

- a. "Bodily injury" or any mental anguish associated with such "bodily injury";
- b. "Property damage";
- c. Assault or battery;
- d. "Personal injury";
- e. "Advertising injury";
- f. Any reduced or diminished value of any property based upon or arising out of a "wrongful act" by an insured;
- g. "Incidental malpractice."

4. Criminal Acts, Self Dealing or Illegal Profit

Any damages resulting from:

- a. Any dishonest, fraudulent, criminal or malicious act or omission of any insured or insured's "employee";
or
- b. Self-dealing or gaining profit or advantage to which an insured is not legally entitled.

5. Failure to Supply

Any damages resulting from the failure to supply a specific amount of electrical power or fuel due to the interruption of the electrical power or fuel supply.

6. Fiduciary Liability

Any damages resulting from any fiduciary obligation or fiduciary duty imposed by:

- a. The Employee Retirement Income Security Act (ERISA);
- b. The Pension Benefit Act;
- c. The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA);
- d. Section 89 of the Internal Revenue Code;

or any amendments thereto, or similar provisions of any federal, state or local, statutory or common law.

7. Wages and Benefits

Any damages designated as front wages, or overtime, future benefits, severance obligations or similar demands, even if designated as liquidated damages under any federal, state or local statute, rule or regulation.

8. Bargaining Agreements

Any payments due under collective bargaining agreements or benefits bargaining agreements.

9. Law Enforcement Activities

Any damages arising out of "law enforcement activities" to protect the public or property including the operation of correctional or detention facilities.

This exclusion does not apply to "employment practices."

10. Liability Assumed by Contract

Any damages the insured is obligated to pay by reason of assumption of liability in a contract or agreement. This Exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

11. Liability for Breach of Contract

Any damages resulting from the breach of contracts for procurement, service, construction or engineering services.

This Exclusion does not apply to claims brought by employees or officials alleging wrongful termination of employment.

12. Non-monetary Damages, Fines or Penalties

- a. Any damages resulting from an action, "claim," "suit," or demand seeking relief or redress in any form other than money damages; or

- b. Any costs, fees or expenses which the insured may become obligated to pay as a result of an adverse judgment for injunctive or declaratory relief.

13. Professional Opinions Paid For By Others

Any damages resulting from the rendering or failure to render any professional opinion, treatment, consultation or service if such professional opinion, treatment, consultation or service was rendered or was failed to have been rendered while an insured was compensated by any person or organization other than you.

14. Retroactive Date

Any damages resulting from a "wrongful act" that commences prior to the retroactive date indicated in the Declarations – Coverage Part IV.

15. Physical and Sexual Abuse

Any damages resulting from physical or "sexual abuse" by any "employee."

16. Sexual Harassment

Any damages resulting from "sexual harassment" by any "employee."

SECTION IV - REPORTING PERIODS

- A. We will provide one or more reporting periods, as described below, if this policy is cancelled or not renewed for any reason other than nonpayment of premium or any other amount owed to us. Nonrenewal by us shall mean the refusal by us to renew the policy on any terms. Nonrenewal by us shall not mean a change in premium, deductibles, Limits of Insurance or any other terms and conditions.
- B. The reporting periods do not extend the policy period or change the scope of coverage provided under this coverage. The reporting periods apply only to "claims" first made against an insured during the applicable reporting period for damages because of a "wrongful act" that occurred before the end of the policy period.
- C. The reporting periods do not reinstate or increase the Limits of Insurance.
- D. A Basic Reporting Period of 30 days that begins on the effective date of cancellation or nonrenewal of this policy is automatically provided without an additional charge. Subject to the terms and conditions of this Coverage Part, the Basic Reporting Period applies to "claims" for damages that are first made against the insured and reported to us or Alternative Market Specialists, in accordance with GENERAL PROVISIONS, SECTION II - IF YOU HAVE AN "EVENT," "CLAIM" OR "SUIT" AND THE ROLE OF THE SERVICE ORGANIZATION, no later than the end of the Basic Reporting Period.

The Basic Reporting Period does not apply to "claims" covered under any other insurance purchased subsequent to this policy or to replace this policy.

- E. An Optional Extended Reporting Period will begin on the effective date of cancellation or nonrenewal of this policy and will remain in effect for a period of one to five years, depending on which Optional Extended Reporting Period you purchase. Subject to the terms and conditions of this coverage, the Optional Extended Reporting Period applies to "claims" for damages reported to us or Alternative Market Specialists, in accordance with GENERAL PROVISIONS, SECTION II- IF YOU HAVE AN "EVENT," "CLAIM" OR "SUIT" AND THE ROLE OF THE SERVICE ORGANIZATION, no later than the end of the Optional Extended Reporting Period.

The additional premium for the Optional Extended Reporting Period will depend on which option you choose. The premium will be calculated at the time you request the Optional Extended Reporting Period.

We must receive a written request from you, together with payment of additional premium due, within 60 days after the effective date of cancellation or nonrenewal of this policy if you wish to purchase one of the Optional Extended Reporting Periods. You must state in your request which Optional Extended Reporting Period you wish to purchase. The Optional Extended Reporting Period will not go into effect until you pay and we acknowledge receipt of the additional premium when due. Once in effect, the Optional Extended Reporting Period may not be cancelled and the premium for the Optional Extended Reporting Period is fully earned.

The Optional Extended Reporting Period does not apply to "claims" covered under any other insurance purchased subsequent to this policy or to replace this policy.

ALL LINES AGGREGATE COVERAGE FORM COVERAGE PART V

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE

SECTION I - INSURING AGREEMENT

A. **Workers' Compensation Insurance**

We will indemnify you for those sums which you are legally obligated to pay as compensation and other benefits imposed upon you under the workers' compensation laws of any state listed in the Declarations.

B. **Employers' Liability Insurance**

We will indemnify you for those sums which you are legally obligated to pay as "ultimate net loss" because of "bodily injury" by "accident" or "bodily injury" by disease to an "employee" arising out of and in the course and scope of employment by you.

- C. Insuring Agreements A and B above apply to "bodily injury" by "accident" or "bodily injury" by disease provided that:
1. You remain a qualified self-insurer for Workers' Compensation and Employers' Liability in the state(s) listed in the Declarations; and "bodily injury" by "accident" or "bodily injury" by disease is sustained by an "employee" who is regularly employed by you in a state named in the Declarations for this portion of the policy. If your "employee" suffers "bodily injury" in a state that is not listed in the Declarations and the "bodily injury" results from employment, at your direction, while your "employee" was temporarily in another state, this coverage will extend compensation or other benefits imposed upon you by such state or the District of Columbia.
 2. "Bodily injury" by "accident" occurred during the policy period.
 3. The "employee's" last day of the last exposure to the conditions of that employment causing or aggravating any "bodily injury" by disease occurred during the "policy period."

SECTION II - LIMITS OF INSURANCE

- A. The Limits of Insurance 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 a "claim" or bringing a "suit."
- B. Our total liability for all damages arising out of a single "accident" that results in "bodily injury" by "accident" to one or more "employees" is the amount shown in the Declarations.
- C. Our total liability for all damages arising out of a single disease for "bodily injury" by disease is the amount shown in the Declarations.

In any event, we will only indemnify you for amounts in excess of the applicable Self-Insured Retention stated in the Declarations. We have no obligation to indemnify you until the applicable Self-Insured Retention has been exhausted by your actual payment of settlements and/or judgments required by law for "bodily injury" by "accident" or "bodily injury" by disease covered by this Coverage Part.

SECTION III - EXCLUSIONS

- A. **Insurance provided by this Coverage Part does not apply to any "claim" for damages, whether direct or consequential, which is covered under any other Coverage Part of this policy.**

The following Exclusions apply to coverage provided in Insuring Agreement A and B. This coverage does not apply to:

- B. **Any loss insured elsewhere by any worker's compensation insurance or employer's liability insurance, or self-insurance.**
- C. **Any loss payable under the:**
1. U.S. Longshoremen's and Harbor Worker's Compensation Act (U.S. L & H Act);
 2. Defense Base Act, U.S. Code (1946) Title 42, Sections 1651-54;
 3. Federal Employers Liability Act (F.E.L.A.), 45 U.S. Code, Sections 51-60, 1970);

4. Merchant Marine Act of 1920 (Jones Act), 46 U.S. Code, Section 688;
5. Outer Continental Shelf Lands Act, U.S. Code (9146) Title 33, Sections 901-49;

including any subsequent amendments to any of the laws listed above.

D. Any payments made by you in excess of benefit payments regularly required by workers' compensation laws if such excess payments are required because of:

1. Willful or wanton misconduct of an insured;
2. "Bodily injury" to any "employee" while employed in violation of the law;
3. Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, or termination of any "employee";
4. "Bodily injury" intentionally caused by or aggravated by the employer;
5. Loss arising out of "operations" in a state where any employer has rejected workers' compensation insurance coverage or provisions of any worker's compensations laws.

E. Any assessment made upon self-insurers, whether imposed by statute, regulation or otherwise.

The following Exclusions apply to coverage provided under Insuring Agreement B. Excess Employers' Liability. This coverage does not apply to:

F. Liability assumed under a contract or agreement.

G. "Bodily injury" to any "employee" while employed in violation of the law.

H. Damages arising out of and "operations" for which you and your supervisory personnel have:

1. Violated or failed to comply with any worker's compensation law;
2. Rejected worker's compensation insurance coverage under any law;
3. Intentionally caused or aggravated "bodily injury."

I. Any obligation imposed by a worker's compensation, occupational disease, unemployment compensation, disability benefits law or any similar laws.

J. "Bodily injury" occurring outside the United States of America, its territories or possessions. This Exclusion does not apply to "bodily injury" to an American citizen or resident working for you temporarily working outside the United States of America, its territories or possessions.

ALL LINES AGGREGATE COVERAGE FORM COVERAGE PART VI

INSURANCE FOR EMPLOYEE DISHONESTY, LOSS INSIDE THE PREMISES, LOSS OUTSIDE THE PREMISES,
MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY, FORGERY OR ALTERATION

Insurance provided by this Coverage Part does not apply to any "claim" for damages, whether direct or consequential, which is covered under any other Coverage Part of this policy.

SECTION I - INSURING AGREEMENT

A. Employee Dishonesty

We will pay you that amount of "ultimate net loss" for loss excess of the applicable Self-Insured Retention for damage to "money," "securities," and "property other than "money" and "securities" resulting directly from a dishonest act committed by an insured's "employee" acting alone or in collusion with other persons, except you, or from the failure of an "employee" to perform faithfully his duties or account for all monies and property received by virtue of his/her position of employment.

1. Conditions

This insurance is cancelled for any "employee":

- a. Immediately upon discovery by you or any official or "employee" authorized to manage, govern or control your "employees," of any dishonest act committed by that "employee" whether before or after becoming employed by you;
- b. On the date specified in a cancellation notice mailed to you by us. That date will be at least 30 days after the date of mailing. The mailing of the cancellation notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of the cancellation notice is the same as mailing.

2. Exclusions

We will not pay for:

- a. Loss caused by any "employee" who is individually bonded.
- b. Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon an inventory computation; or a profit and loss computation.
- c. Loss caused by any "employee" of yours, or a predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the effective date of the last such cancellation.

B. Loss Inside the Premises

We will pay you for that amount of "ultimate net loss" for loss excess of the applicable Self-Insured Retention for:

1. Loss of "money" or "securities" of yours from "theft," disappearance, "robbery" or destruction within the "premises" or a "banking premises."
2. Loss of, and loss from damage to, a locked safe, vault, cash register, cash box, or cash drawer located in the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.
3. Loss from damage to any of the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" or "securities" if you are the owner of the "premises" or are liable for damage to it.

4. Exclusions

We will not pay for:

- a. Loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees, or authorized representatives, while performing services for you or otherwise, and whether acting alone or in collusion with other persons;
- b. Loss resulting from the giving or surrendering of property in any exchange or purchase;
- c. Loss from damage to the "premises" resulting from fire, however caused;

- d. Loss resulting from any accounting or mathematical errors or omissions;
- e. Loss of "money" contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device;
- f. Loss from damage to the "premises" or its exterior or to containers of covered property caused by vandalism or malicious mischief;
- g. Loss resulting from you, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property;
- h. Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises" on the basis of unauthorized instructions;
- i. Loss of property as a result of a threat to do bodily harm to any person or damage to any property.

C. Loss Outside the Premises

We will pay you for that amount of "ultimate net loss" for loss excess of the applicable Self-Insured Retention for the loss of your "money" and "securities" from "theft," disappearance, "robbery" or destruction outside the "premises" in the care and custody of the "messenger," "custodian" or any armored vehicle company.

1. Exclusions

We will not pay for:

- a. Loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees, or authorized representatives, while performing services for you or otherwise, and whether acting alone or in collusion with other persons;
- b. Loss resulting from the giving or surrendering of property in any exchange or purchase;
- c. Loss from damage to the "premises" resulting from fire, however caused;
- d. Loss resulting from any accounting or mathematical errors or omissions;
- e. Loss of "money" contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device;
- f. Loss from damage to the "premises" or its exterior or to containers of covered property by vandalism or malicious mischief;
- g. Loss resulting from you, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property; or
- h. Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises" on the basis of unauthorized instructions; or as a result of a threat to do bodily harm to any person or damage to any property. This Exclusion does not apply to loss of "money" and "securities" while outside the "premises" or "banking premises" in the care and custody of a "messenger" if you had no knowledge of any threat at the time the conveyance began or had knowledge of the threat at the time the conveyance began, but the loss was not related to the threat.

D. Money Orders and Counterfeit Paper Currency

We will pay you for that amount of "ultimate net loss" for loss excess of the applicable Self-Insured Retention for:

- 1. Loss due to nonpayment upon presentation of any "money" order issued by any post office or express company which you accept in good faith in exchange for merchandise, "money" or services.
- 2. Loss due to your good faith acceptance of counterfeit United States currency, during the regular course of business.
- 3. **Exclusions**

We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees, or authorized representatives, while performing services for you or otherwise, and whether acting alone or in collusion with other persons.

E. Forgery or Alteration

We will pay for that amount of "ultimate net loss" for loss excess of the applicable Self-Insured Retention for a loss resulting from forgery or alteration of, on, or in any checks, drafts, promissory notes, or similar written promises, orders or directions to pay a certain sum in "money" that are made or drawn upon you, made or drawn by one acting as your agent, or that are reported to have been so made or drawn.

1. **Conditions**

- a. We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.
- b. If you are sued for refusing to pay for any loss on the basis it was due to a covered forgery or alteration, and you have our written consent to defend against the "suit," we will indemnify you for any reasonable legal expenses that you incur and pay in that defense. This does not increase the Limits of Insurance stated in the Declarations for Coverage E. Forgery or Alteration.

2. **Exclusions**

We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees, or authorized representatives while performing services for you or otherwise, and whether acting alone or in collusion with other persons.

SECTION II – LIMITS OF INSURANCE

The Limits of Insurance 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 a "claim" or bringing a "suit."

We will only pay for amounts in excess of the applicable Self-Insured Retention and we will not pay you until the applicable Self-Insured Retention has been exhausted by your actual payment of "claims" or "suits" to which this insurance applies.

SECTION III – CONDITIONS

A. Limits of Insurance – Self-Insured Retention

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the Declarations for Coverage Part VI.

We will not pay you for any one "occurrence" unless the amount of loss exceeds the applicable Self-Insured Retention shown in the Declarations for Coverage Part VI. We will then pay you for the amount of loss in excess of the applicable Self-Insured Retention up to the Limit of Insurance.

B. Joint Insured

1. If more than one insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
2. If any Insured, partner or officer of any insured, has knowledge of any information relevant to this insurance, that knowledge is considered knowledge to every Insured.

C. Loss Covered Under More Than One Coverage of this Insurance

If two or more coverages of Coverage Part VI apply to the same loss, we will pay you for the lesser of:

1. The actual amount of loss; or
2. The sum of the Limits of Insurance applicable to those coverages.

D. Loss Sustained During Prior Insurance

1. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under the prior insurance except that the time within which to discover loss had expired, we will pay you for such loss under this insurance, provided:
 - a. This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - b. The loss would have been covered by the prior insurance had it been in effect when the acts or "events" causing the loss were committed or occurred.
2. The insurance under this condition is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:
 - a. This insurance as of its effective date; or
 - b. The prior insurance had it remained in effect.

3. Subject to Condition D.1.a., D.1.b., D.2.a., and D.2.b., we will pay only for loss that you sustain through acts committed or "events" occurring during the period of this insurance.

E. Non-cumulation of Limit of Insurance

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

F. Ownership of Property; Interests Covered

The property covered under this insurance is limited to property:

1. That you own or hold; or
2. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

G. Discovery Period for Loss

We will pay only for covered losses discovered no later than one year from the end of the policy period.

H. Recoveries

1. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - a. To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the applicable Self-Insured Retention;
 - b. Then to us, until we are reimbursed for the settlement made;
 - c. Then to you, until you are reimbursed for that part of the loss equal to the applicable Self-Insured Retention.
2. Recoveries do not include any recovery:
 - a. From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - b. Of original "securities" after duplicates of them have been issued.

I. Valuation – Settlement

1. Subject to the applicable Limit of Insurance provision, we will pay you for:
 - a. Loss of "money," but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - 1) At face value in the "money" issued by that country;
 - 2) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
 - b. Loss of "securities," but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - 1) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities";
 - 2) Pay the cost of any lost "securities" bond required in connection with issuing duplicates of the "securities." However, we will only pay for the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - i. Value of the "securities" at the close of business on the day the loss was discovered; or
 - ii. Limit of Insurance.
 - c. Loss of, or loss from damage to, "property other than money and securities" or loss from damage to the "premises" not more than the:
 - 1) Actual Cash Value of the property on the day the loss was discovered;
 - 2) Cost of repairing the property or "premises"; or
 - 3) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the Actual Cash Value of the property or repair or replace it.

If we cannot agree with you upon the Actual Cash Value or the cost of repair or replacement, the value or cost will be determined by arbitration.

2. We may, at our option, pay for loss of, or loss from damage to, property other than "money":

- a. In the "money" of the country in which the loss occurred; or
 - b. In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.
3. Any property that we pay for or replace becomes our property.

ALL LINES AGGREGATE COVERAGE FORM COVERAGE PART VII

INSURANCE FOR FOSTER PARENT'S LIABILITY COVERAGE FORM – CLAIMS-MADE

NOTICE: THIS COVERAGE FORM PROVIDES CLAIMS-MADE COVERAGE. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- A. We will indemnify you for those sums that an insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. The amount we will pay for damages is limited as described in SECTION IV - LIMITS OF INSURANCE.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for by this insurance.

- B. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence;"
- (2) The "bodily injury" or "property damage" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and
- (3) A "claim" for damages because of "bodily injury" or "property damage" is first made against any insured below, during the policy period or the Basic Extended Reporting Period we provide under SECTION V – EXTENDED REPORTING PERIOD.

All claims for damages because of "bodily injury" to the same person, including damages claimed by any person or organization for care, loss of services, or death resulting at any time from the "bodily injury," will be deemed to have been made at the time the first of those claims is made against any insured.

All claims for damages because of "property damage" causing loss to the same person or organization will be deemed to have been made at the time the first of those claims is made against any insured.

2. Exclusions

This insurance does not apply to:

A. **Intentional Injury**

Any damages expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

B. **Contractual Liability**

Any damages for which an 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 that an Insured would have in the absence of the contract or agreement.

C. **Liquor Liability**

Any damages for which an insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

D. Aircraft, Auto, and Watercraft

Any damages arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading." This exclusion also applies to vicarious liability whether or not statutorily imposed for the actions of a child or minor using an aircraft, auto, or watercraft owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A sailboat less than 26 feet long;
- (3) A watercraft with 50 horsepower or less inboard and 25 horsepower or less outboard.

E. Mobile Equipment

Any Damages arising out of:

- (1) The transportation of mobile equipment by an "auto" owned or operated by or rented or loaned to an insured;
or
- (2) The use of mobile equipment in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

F. Care, Custody and Control

Any "property damage" to:

- (1) Property an insured owns, rents, or occupies;
- (2) Property loaned to an insured;
- (3) Personal property in the care, custody, or control of an insured.

We will provide indemnification of defense costs only, subject to the Sublimit of Insurance set forth in Section IV, Paragraph 6, for any "suit" alleging "bodily injury" arising out of conduct set forth in subparagraphs (1) and (2) of this exclusion.

G. Professional Liability

Any damages arising out of the failure of an insured to render professional services. The care and services rendered by an insured as a "foster parent" do not constitute professional service.

H. Criminal Acts

Any damages arising out of any dishonest, fraudulent, criminal or malicious act, error or omission of an insured.

I. Communicable Diseases

Any damages arising out of the transmission of a communicable disease by an insured.

J. Physical and "Sexual Abuse"

Any damages arising out of:

- (1) the actual or threatened
 - a. physical abuse, whether or not sexual in nature; or
 - b. "sexual abuse" or molestation or licentious, immoral or sexual behavior intended to lead to, or culminating in any sexual act; or
- (2) the failure of any insured or anyone else for whom an insured is legally responsible to prevent or suppress any such actual or threatened behavior; or
- (3) The negligent
 - a. employment;
 - b. investigation;
 - c. supervision;
 - d. reporting to the proper authorities or failure to so report; or
 - e. retention;of a person whose conduct would be excluded by subparagraph (1) a. and (1) b. above.

However, subject to the amounts shown on the Declarations for Physical Abuse and/or "Sexual Abuse" Aggregate under Part A. Coverage VII, this exclusion does not apply to defense expenses due to "bodily injury" arising out of actual or alleged physical abuse and/or "sexual abuse."

K. Punitive Damages

Punitive damages, exemplary damages, fines, penalties, treble damages or any other increase in damages resulting from the multiplication of compensatory damages.

L. Prior to Retroactive Date

Arising out of an occurrence that took place before the Retroactive Date shown in the Declarations.

COVERAGE B. PERSONAL INJURY LIABILITY

1. Insuring Agreement

- A. We will indemnify you for those sums that an insured becomes legally obligated to pay as damages because of "personal injury," to which this insurance applies. The amount we will pay for damages is limited as described in SECTION IV - LIMITS OF INSURANCE.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for by this insurance.

This insurance applies to "personal injury" caused by an offense arising out of an insured's activities as a "foster parent" and which takes place while one or more foster children are in the care and custody of a named Insured, but only if:

- (1) The offense was not committed before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and
- (2) A "claim" for damages because of "personal injury" is first made against any insured during the policy period or the Basic Extended Reporting Period we provide under SECTION V – EXTENDED REPORTING PERIOD.

All claims for damages because of "personal injury" to the same person or organization as a result of an offense will be deemed to have been made at the time the first of those claims is made against any insured.

2. Exclusions

This insurance does not apply to "personal injury":

A. Oral or Written Publications

Arising out of oral or written publication of material, if done by or at the direction of an insured with knowledge of its falsity.

B. Prior to Retroactive Date

Arising out of oral or written publication of material whose first publication took place before the Retroactive Date, if any, shown in the Declarations.

C. Violation of Penal Statute or Ordinance

Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of an insured.

D. Contractual Liability

Which an insured has assumed liability in a contract or agreement other than a written agreement directly related to the care or custody of a "foster child." This exclusion does not apply to liability for damages that an insured would have in the absence of the contract or agreement.

E. Communicable Diseases

Arising out of the transmission of a communicable disease by an insured.

F. Physical and "Sexual Abuse"

Arising out of:

- (1) the actual or threatened
 - a. physical abuse, whether or not sexual in nature; or
 - b. "sexual abuse" or molestation or licentious, immoral or sexual behavior intended to lead to, or culminating in any sexual act; or
- (2) the failure of any insured or anyone else for whom an insured is legally responsible to prevent or suppress any such actual or threatened behavior; or
- (3) The negligent
 - a. employment;
 - b. investigation;
 - c. supervision;
 - d. reporting to the proper authorities or failure to so report; or
 - e. retention;

of a person whose conduct would be excluded by subparagraph (1) a. and (1) b. above.

However, subject to the amounts shown on the Declarations for Physical Abuse and/or "Sexual Abuse" Aggregate under Part A. Coverage VII, this exclusion does not apply to defense expenses due to "personal injury" arising out of actual or threatened physical abuse and/or "sexual abuse."

G. Punitive Damages

Punitive damages, exemplary damages, fines, penalties, treble damages or any other increase in damages resulting from the multiplication of compensatory damages.

H. Prior to Retroactive Date

Arising out of an occurrence that took place before the Retroactive Date shown in the Declarations.

COVERAGE C. PROPERTY DAMAGE TO PROPERTY OF OTHERS

1. Insuring Agreement

We will indemnify you, at actual cash value, up to \$250 per "occurrence" to "property damage" to property of others caused by one or more foster children in an insured's custody and control if the act causing damage occurred during the policy period. The "property damage" must not have occurred before the Effective Date, if any shown in the Declarations, or after the end of the policy period.

2. Exclusions

We will not indemnify you for "property damage":

- A. to the extent of any amount recoverable under Coverage A;
- B. to property owned by an insured or by a resident of the insured's household;
- C. arising out of:
 - (1) business pursuits; or
 - (2) the ownership, maintenance or use of aircraft, "auto," or watercraft.

COVERAGE D. PROPERTY DAMAGE TO INSURED'S PROPERTY

1. Insuring Agreement

We will indemnify you, at actual cash value, up to \$5,000 for "property damage" to property of an insured, unintentionally caused by one or more foster children in the care and custody of an insured, if the act(s) causing damage occurred during the policy period. The "property damage" must not have occurred before the Effective Date shown in the Declarations, if any or after the end of the policy period.

2. Exclusions

We will not indemnify you for "property damage":

- A. to property used for business pursuits;
- B. arising out of the ownership, maintenance or use of aircraft, "auto," or watercraft; or
- C. which was intentionally caused.

Our obligation to indemnify you for "property damage" under Coverage D applies only to the amount in excess of a \$50 deductible, payable by an insured, for each "claim" made for all damage arising out of an unintentional act of a "foster child." This deductible applies to each and every "claim" before the application of any self-insured retention or excess limits and does not deplete the Loss Fund.

SECTION II - DEFINITIONS

- 1. "Agency" means the State of Nebraska Health and Human Services Department and affiliated agencies.
- 2. "Claim" means:

- A. A written demand for damages or a notice advising an insured of an intent to sue;
 - B. A notice of a charge or violation from any government authority;
 - C. An arbitration notice; or
 - D. A civil proceeding commenced by the service of a summons, complaint or similar pleading; received by an insured alleging damages arising out of "bodily injury," "property damage," or "personal injury."
3. "Foster child" means a person under the age of 18, who has been placed in the care and custody of a "foster parent" by the State of Nebraska.
 4. "Foster household" means a "foster parent" and those who qualify as insureds under SECTION III - WHO IS AN INSURED for that particular "foster parent."
 5. "Foster parent" means a licensed individual who extends foster family care under the authority of the State of Nebraska.
 6. "Loading or unloading" means the handling of property:
 - A. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto;"
 - B. While it is in or on an aircraft, watercraft or "auto," or
 - C. 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 the aircraft, watercraft, or "auto."
 7. "Occurrence" means an accident or a happening or event or a continuous or repeated exposure to conditions which result in "personal injury" or damage to property during the policy period. All personal injuries to one or more persons and/or "property damage" arising out of an accident or a happening or event or a continuous or repeated exposure to conditions shall be deemed to be one occurrence.

SECTION III - WHO IS AN INSURED

1. Each "foster parent" who extends foster family care under an agreement with the State of Nebraska; but only while acting as a "foster parent."
2. If residing in the same household as a "foster parent," the following are insured, but only while acting within the course and scope of duty in providing care or custody of a "foster child":
 - A. Relatives of "foster parent;"
 - B. Relatives of the spouse of that "foster parent;" and
 - C. Persons under the age of 18 in the care and custody of the "foster parent."
3. If you die, your legal representative is an insured, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
4. None of the following are insureds under this Coverage Part VII, Foster Parent's Liability:
 - A. The State of Nebraska, its agencies, departments or political subdivisions;
 - B. Any agent or employee of any entity in clause 4A. above EXCEPT if a person is acting as a "foster parent."

SECTION IV - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will indemnify you for regardless of the number of:
 - A. Insureds in a "foster household;"
 - B. Foster children in a "foster household;"
 - C. Continuous or repeated acts or separate acts that are substantially the same;

- D. Errors or omissions;
 - E. "Claims" made or "suits" brought against any member of a "foster household;" or
 - F. Persons or organizations making claims or bringing suits.
2. The General Aggregate Limit Each "Foster Household" is the most we will indemnify you for damages and defense expenses for all "claims" or "suits" brought against any or all members of a "foster household."
 3. Subject to 1. and 2. Above, the Each "Claim" Limit is the most we will indemnify you for the damages and defense expenses for any one "claim" or "suit" covered under Coverage A and/or due to "bodily injury," "property damage," or "personal injury."
 4. Subject to 3. above, the Coverage C Each "Claim" Limit is the most we will indemnify you for damages and defense expenses for any one "claim" or "suit" for "property damage" covered under Coverage C.
 5. Subject to 3, the Coverage D Each "Claim" Limit is the most we will indemnify you for damages and defense expenses for any one "claim" or "suit" for "property damage" covered under Coverage D.
 6. Subject to 2. above, the Physical Abuse and/or "Sexual Abuse" Aggregate Limit is the most we will indemnify you for defense expenses for all "claims" or "suits" of physical abuse and "Sexual Abuse."
 7. Subject to 3. and 6. above, the Physical Abuse and/or "Sexual Abuse" Each "Claim" Limit is the most we will indemnify you for defense expenses for any one "claim" or "suit" alleging physical abuse and/or "sexual abuse" covered under Coverage A or B.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

SECTION V - EXTENDED REPORTING PERIOD

1. We will provide an Extended Reporting Period as described below, if:
 - A. This Coverage Part is canceled or not renewed; or
 - B. We renew or replace this Coverage Part with insurance that:
 - (1) As a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
 - (2) Does not apply to "bodily injury," "property damage," or "personal injury" on a claims-made basis.
2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to claims for:
 - A. "Bodily injury" or "property damage" that occur before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations; or
 - B. "Personal injury" caused by an offense committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect the Extended Reporting Period may not be cancelled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for 730 days. The Basic Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.
4. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.

SECTION VI - CONDITIONS

1. Eligible "Foster Parent" Homes

To be eligible for coverage a Home must meet the following minimum conditions:

- A. Must be an individual family style home where the "foster child" is cared for in a residential setting, in the same fashion as a natural or adopted child. No corporate, group or day care type facility is accepted. Any home that cares for more than four foster children must be specifically approved by the State of Nebraska.
- B. The home must be under the supervision of an "agency," that has been specifically approved by the State of Nebraska.
- C. The home must be specifically licensed or approved, in current status, to provide foster care by the State of Nebraska.
- D. Any foster parent who is under investigation for any charge of improper care or handling of a "foster child" is automatically ineligible for coverage, unless specifically approved by the State of Nebraska.
- E. The foster parent must be of good moral standing and, cannot have any criminal record. The parent must agree to provide a credit check, at the expense of the parent or "agency," upon request.
- F. The foster parent must attend, no less frequently than annually, an appropriate continuing education class for foster parents, as outlined by the "agency."

2. Agencies

Each "agency" which desires to obtain insurance for foster parents providing care for a "foster child" must satisfactorily complete an application as provided by the State of Nebraska.

To be eligible to submit Homes to the program an "agency" must meet the following minimum conditions:

- A. The "agency" must be organized primarily for the purpose of recruiting, arranging, managing, and/or monitoring foster parents for the purpose of placing foster children into family care environments. All children placed in foster homes by the "agency" must be first wards of the State, County, or, other appropriate governmental body of court jurisdiction.
- B. (1) The "agency" must be a governmental or quasi-governmental bureau with the assignment of placing foster children into appropriate homes and monitoring the quality of care, or,
(2) The "agency" may be a private "agency" if accredited and licensed by the state of Nebraska with a specific contract from an appropriate governmental bureau to place foster children into appropriate homes.
- C. Only agencies funded by government funds (including fees for service agreements), benevolent trusts, religious organizations or foundations are acceptable. Homes owned or operated by private commercial agencies that are established to produce a profit are not eligible for insurance under the program.

3. Other Insurance

In addition to the provisions of General Condition E, Other Insurance, insurance provided by this Coverage Part specifically applies in excess of any personal insurance (including but not limited to insurance provided under any homeowners, tenants, personal automobile, umbrella, or other personal insurance) or any business insurance that is available to the insured for loss or damage(s) covered by this policy.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. (The following information is required only when this endorsement is issued subsequent to preparation of the Policy.)

INSURED The State of Nebraska

Policy No. 64-A3-EX-0000006-13 Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – STATUTORY REQUIREMENTS IMPOSED ON YOU

This endorsement modifies insurance under the following:

PUBLIC ENTITY ALL LINES AGGREGATE INSURANCE
SCHOOLS ALL LINES AGGREGATE INSURANCE

The following is added to the **GENERAL CONDITIONS** section of the policy:

Statutory Requirements Imposed on You

You, as a Named Insured or a qualified self-insurer, may be subject to specific requirements (such as reporting certain claims data), by State or Federal law (including but not limited to the Medicare, Medicaid and State Children’s Health Insurance Program Extension Act of 2007). Even if you contract with a Service Organization (Third Party Claims Administrator) to handle the administration, investigation or settlement of any loss or “claim” covered under this policy, you are still ultimately responsible for compliance with such laws.

When by law you are designated as the responsible reporting entity for compliance with such State or Federal law, we will not:

1. Advise you of such laws, unless we are legally required to do so;
2. Assume any of the obligations imposed on you by such law;
3. Pay any expenses incurred by you to comply with such law;
4. Pay any penalty or fine for which you are held liable for failing to comply with such State or Federal law.

“Ultimate net loss” does not include the expenses or payments described in Paragraphs 3. and 4. above.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. (The following information is required only when this endorsement is issued subsequent to preparation of the Policy.)

INSURED The State of Nebraska
Policy No. 64-A3-EX-0000006-13 Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

SERVICE OF PROCESS ENDORSEMENT

This endorsement specifies that:

We designate the Superintendent of Insurance, Insurance Commissioner, Director of Insurance, or other officer specified by law, pursuant to the laws of the State where this policy is delivered, as our true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted in the State in which this policy is delivered, by, or on behalf of, the Named Insured or any beneficiary hereunder arising out of this Policy. We designate the General Counsel of The Princeton Excess and Surplus Lines Insurance Company, 555 College Road East, Princeton, New Jersey 08543 as the person to whom the said officer is authorized to mail such process or true copy thereof.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. (The following information is required only when this endorsement is issued subsequent to preparation of the Policy.)

INSURED The State of Nebraska

Policy No. 64-A3-EX-0000006-13 Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Harry Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – TERRORIST ACTIVITY EXCLUSION – SFP EXCEPTION

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE COVERAGE FORM – GENERAL POLICY EXCLUSIONS

With respect to the Excess Workers Compensation and Employers Liability Coverage Part, this exclusion only applies to the insurance provided for Employers Liability Insurance.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

With respect to this policy and any endorsements thereto, the following exclusion is added and supersedes any provision to the contrary.

This insurance does not apply to:

All injury, damage, loss, cost or expense, caused by, resulting from, arising out of or related to, either directly or indirectly, any "Terrorist Activity," as defined herein, and any action taken to hinder, defend against or respond to any such activity. This exclusion applies regardless of any other cause or event that in any way contributes concurrently or in any sequence to the injury, damage, loss, cost or expense.

But, if the "Terrorist Activity" occurs in an "Exception State" and results in fire, we will pay for the loss or damage in such "Exception State" caused by that fire, but only to the extent, if any, required by the applicable Standard Fire Policy statute(s) in such state. However, this exception applies only to direct loss or damage by fire to covered property and not to any insurance provided for time element coverages, including but not limited to business interruption and extra expense. In no event shall this policy be construed to give coverage beyond the minimum requirements of the applicable Standard Fire Policy

statute (and amendments thereto) in existence as of the effective date of the policy and governing such requirements with respect to any acts of terrorism. If the applicable law or regulation in any state permits the Commissioner or Director of Insurance or anyone in a similar position to grant the insurer approval to vary the terms and conditions of the Standard Fire Policy, and such approval has been granted in that state as of the effective date of this policy, this policy shall not provide coverage beyond the minimum requirements of the terms and conditions approved by the Commissioner or Director of Insurance or person in a similar position.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and the Company has met their insurer deductible under the Terrorism Risk Insurance Act, the Company shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

For the purposes of this exclusion,

A. "Terrorist Activity" shall mean any deliberate, unlawful act that:

1. is declared by any authorized governmental official to be or to involve terrorism, terrorist activity or acts of terrorism; or
2. includes, involves, or is associated with the use or threatened use of force, violence or harm against any person, tangible or intangible property, the environment, or any natural resources, where the act or threatened act is intended, in whole or in part, to
 - a. promote, further or express opposition to any political, ideological, philosophical, racial, ethnic, social or religious cause or objective; or
 - b. influence, disrupt or interfere with any government related operations, activities or policies; or
 - c. intimidate, coerce or frighten the general public or any segment of the general public; or
 - d. disrupt or interfere with a national economy or any segment of a national economy; or
3. includes, involves, or is associated with, in whole or in part, any of the following activities, or the threat thereof:
 - a. hijacking or sabotage of any form of transportation or conveyance, including but not limited to spacecraft, satellite, aircraft, train, vessel, or motor vehicle;
 - b. hostage taking or kidnapping;
 - c. the use or threatened use of or release or threatened release of any nuclear, biological, chemical, or radioactive agent, material, device or weapon;
 - d. the use of any bomb, incendiary device, explosive or firearm;
 - e. the interference with or disruption of basic public or commercial services and systems, including but not limited to the following services or systems: electricity, natural gas, power, postal, communications, telecommunications, information, public transportation, water, fuel, sewer or waste disposal;
 - f. the injuring or assassination of any elected or appointed government official or any government employee;
 - g. the seizure, blockage, interference with, disruption of, or damage to any government buildings, institutions, functions, events, tangible or intangible property or other assets; or
 - h. the seizure, blockage, interference with, disruption of, or damage to tunnels, roads, streets, highways, or other places of public transportation or conveyance.

B. Any of the activities listed in section A.3. above shall be considered "Terrorist Activity" except where the Insured can demonstrate to the Company, that the foregoing activities or threats thereof were

motivated solely by personal objectives of the perpetrator that are unrelated, in whole or in part, to any intention to

1. promote, further or express any opposition to any political, ideological, philosophical, racial, ethnic, social or religious cause or objective; or
 2. influence, disrupt or interfere with any government related operations, activities or policies; or
 3. intimidate, coerce or frighten the general public or any segment of the general public; or
 4. disrupt or interfere with a national economy or any segment of a national economy.
- C. "Exception State" means a state which at the time of policy effective date, requires that the coverage provided under this policy be not more restrictive than that provided under a Standard Fire Policy.
- D. Application of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorist exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy, such as losses excluded by a Nuclear Hazard Exclusion or a War Exclusion.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. (The following information is required only when this endorsement is issued subsequent to preparation of the Policy.)

INSURED The State of Nebraska
Policy No. 64-A3-EX-0000006-13 Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – FLOOD ZONE EXCLUSION

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE INSURANCE - COVERAGE PART I

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

I. With respect only to Exclusion B.17 in Paragraph II. of this endorsement, Definition 20. "Flood" in POLICY DEFINITIONS is deleted and replaced by the following:

20. "Flood" includes:

- a. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- b. Mudslide or mudflow;
- c. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- d. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings; or
- e. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a., c. or d., or material carried or otherwise moved by mudslide or mudflow.

II. Exclusion B.17 (Flood Zones) is deleted and replaced by the following:

17. Damage caused by or resulting from "Flood" to any property located in a Special Flood Hazard Area (SFHA), generally meaning a High Risk Area or a High Risk Coastal Area. These properties are typically assigned to:

- a. Zone A, AO, AH, A1 through 30, AE, A99, AR, AR/A1 through 30, AR/AE, AR/AO, AR/AH, AR/A, VO, V1 through 30, VE, or V; or
- b. A similar high risk rating;

by or through cooperation or contract with the Federal Emergency Management Agency (FEMA) or a successor or equivalent organization.

This exclusion applies regardless of whether "Flood", is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. (The following information is required only when this endorsement is issued subsequent to preparation of the Policy.)

INSURED The State of Nebraska

Policy No. 64-A3-EX-0000006-13 Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Harry Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY
ENDORSEMENT - NEBRASKA - UNINSURED AND UNDERINSURED MOTORISTS (Within SIR)

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE INSURANCE

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

With respect to COVERAGE PART III - Insurance For Automobile Liability, any payments you make (after application of the Maintenance Deductible, if applicable) up to the amount shown in the Schedule below, for "claims" or "suits" that would be covered under a standard Uninsured and Underinsured Motorists Coverage written to include the statutory requirements of Nebraska with respect to Uninsured and Underinsured Motorists, can apply towards the reduction or exhaustion of the:

1. Self-Insured Retention shown for COVERAGE III in the Declarations;
2. Aggregate Loss Fund, if applicable; and/or
3. Self-Insured Retention for Clash Coverage, if applicable.

This endorsement does not provide Nebraska Excess Uninsured and Underinsured Motorists Coverage.
Schedule

Nebraska Uninsured and Underinsured Motorists - \$25,000 Each "Person"
\$50,000 Each "Accident"

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

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INSURED The State of Nebraska
Policy No. 64-A3-EX-0000006-13 Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – NEBRASKA STATE CODE #44-358

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE INSURANCE

It is agreed that in the event of a conflict between the language contained in this policy and the Nebraska State Insurance Code #44-358, Nebraska State Code shall prevail. The Nebraska State Insurance Code #44-358 states:

“No oral or written misrepresentation or warranty made in the negotiation for a contract or policy of insurance by the insured, or in his behalf, shall be deemed material or defeat or avoid the policy, or prevent its attaching, unless such misrepresentation or warranty deceived the company to its injury. The breach of warranty or condition in any contract or policy of insurance shall not avoid the policy nor avail the insurer to avoid liability, unless such breach shall exist at the time of the loss and contribute to the loss, anything in the policy or contract of insurance to the contrary notwithstanding.”

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

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INSURED The State of Nebraska

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(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – LAW ENFORCEMENT EXCLUSION

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE INSURANCE

It is agreed "Law enforcement activities", as defined in the All Lines Aggregate Coverage Form Policy Definitions, is excluded.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

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(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

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ENDORSEMENT – AMENDED GENERAL CONDITIONS

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE INSURANCE

It is agreed that the GENERAL CONDITIONS are amended as follows:

- (1) Item A., SALVAGE AND RECOVERY CLAUSE is amended to include the following additional wording:

When, in connection with any insured loss, any salvage and recovery is received subsequent to the payment of such loss, the loss shall be figured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the loss was originally determined.

- (2) Item E., OTHER INSURANCE, 2. Excess Insurance is amended to include the following additional wording:

Permission is granted to purchase insurance in excess of the amount (Limits of Insurance) stated on this policy's Declarations Page.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

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INSURED The State of Nebraska

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(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – AMENDED DEFINITION OF EMPLOYEE

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE COVERAGE FORM

It is agreed that POLICY DEFINITION 15. is amended to read as follows:

15. "Employee," as used in Coverage Parts I, II, III, IV and V, means any person employed by you or volunteering services to you, a "leased worker," or an elected or appointed official.

"Employee," as used in Coverage Part VI, means:

- a. Any natural person:
 - 1) While in your service, and for 30 days after termination of service;
 - 2) Whom you compensate directly by salary, wages or commissions;
 - 3) Whom you have the right to direct and control while performing services for you; or
 - 4) With respect to Section I – Insuring Agreement A. Employee Dishonesty, while appointed in writing to act as an agent in your Game and Parks Commission while acting on your behalf or while in possession of Covered Property.
 - 5) District court employees while performing acts within the scope of duties of an "Employee" of the Named Insured
- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the "premises." But "employee" does not mean any:

- 1) Agent, broker, factor, commission merchant, consignee, independent contractor, or representative of the same general character; or
- 2) Director or trustee except while performing acts within the scope of the duties as an "employee."

However with respect to COVERAGE VI Section I – Insuring Agreement A. Employee Dishonesty, paragraph B.1. does not apply to any person appointed in writing to act as an agent in your Games and Parks Commission while acting on your behalf or while in possession of Covered Property.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

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Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – UNIVERSITY SYSTEMS

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE INSURANCE

It is agreed that the following exclusion is added to SECTION III – EXCLUSIONS, of COVERAGE PART III, INSURANCE FOR AUTOMOBILE LIABILITY.

10. University Systems

Any damages resulting from the ownership, rental or lease of “autos” by the University of Nebraska. This exclusion does not apply to the Nebraska State College System (NSCS).

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

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Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – CORRIDOR RETENTION ENDORSEMENT FOR COVERAGE PART III

This endorsement modifies insurance under the following:

STATE OF NEBRASKA ALL LINES AGGREGATE COVERAGE FORM - COVERAGE PART III –
INSURANCE FOR AUTOMOBILE LIABILITY

The following provision is added and only applies to Coverage Part III. This endorsement is subject to all of the terms and conditions of COVERAGE PART III, except as otherwise stated below. Any reference to the Declarations in this endorsement means the State of Nebraska (02-13) PUBLIC ENTITY ALL LINES AGGREGATE INSURANCE DECLARATIONS.

CORRIDOR RETENTION

- A. In the event of loss, damage or expense covered under Insuring Agreements A and B of Coverage Part III, the insured shall retain in addition to the amount of the applicable Maintenance Deductible, if any, shown on the Declarations, and the Self-Insured Retention for Coverage III shown in the Declarations; a Corridor Retention Aggregate Limit of \$300,000 or the reduced amount of the Corridor Retention Aggregate Limit after erosion by covered losses.

Subject to the paragraph above, it is further understood and agreed that the most we will pay is the difference between the Specific Excess Insurance for Coverage III shown in the Limits of Insurance section of the Declarations and the underlying Self-Insured Retention shown in the Limits of Insurance section of the Declarations after the exhaustion of the aforesaid Corridor Retention Aggregate Limit which is in turn excess of the Self-Insured Retention and the applicable Maintenance Deductible, if any.

- B. With respect to this endorsement, the last paragraph of SECTION III - LIMITS OF INSURANCE is amended to read as follows:

We are only liable for the difference between the Specific Excess Insurance for Coverage III and the Corridor Retention Aggregate Limit as determined in Paragraph A. of the ENDORSEMENT - CORRIDOR RETENTION - COVERAGE PART III, which in turn is excess of the applicable Self-Insured Retention and Maintenance Deductible, if any. We have no liability to pay you until such Corridor Retention amount, the applicable Self-Insured Retention and the Maintenance Deductible, if any, have been exhausted by the actual payment of loss to which this insurance applies.

- C. When the Corridor Retention Aggregate Limit is exhausted by payment of loss covered under Coverage Part III, our obligation to pay the insured begins in excess of the applicable Self-Insured Retention and Maintenance Deductible, if any, shown in the Declarations.
- D. Any amounts paid under your Corridor Retention Aggregate Limit are not applicable to PART B. EXCESS AGGREGATE INSURANCE and/or PART C. CLASH COVERAGE in the Declarations.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

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INSURED The State of Nebraska

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Countersignature *Harry Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – REPRODUCTION COST

This endorsement modifies insurance under the following:

STATE OF NEBRASKA ALL LINES AGGREGATE COVERAGE FORM - COVERAGE PART I -
INSURANCE FOR REAL AND PERSONAL PROPERTY, AUTOMOBILE PHYSICAL DAMAGE,
BUSINESS INCOME AND EXTRA EXPENSE, PROPERTY IN TRANSIT, DATA PROCESSING MEDIA
AND SYSTEM EQUIPMENT

The following provision is added and only applies to Coverage Part I and only with respects to the State Capitol Building at 1445 'K' Street. This endorsement is subject to all of the terms and conditions of COVERAGE PART I, except as otherwise stated below.

VALUATION: We will determine the value of Coverage Property in the event of loss or damage as follows:

Buildings and structures at "reproduction cost".

"Reproduction cost" means the cost to repair, replace or restore with material of like, kind and quality compatible with those originally used, including the cost of skilled labor and/or authentic materials necessary to restore the property, provided they are available, as nearly as possible to its original condition. However, if any materials or workmanship needed to repair, replace or restore a building or structure are not reasonably available then materials and workmanship that most closely resembles the condition before the loss shall be used to repair, replace or restore the building or structure.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
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Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

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ENDORSEMENT – EMPLOYEE DISHONESTY

This endorsement modifies insurance under the following:

PUBLIC ENTITY ALL LINES AGGREGATE COVERAGE FORM

It is agreed that COVERAGE PART VI, SECTION I. Exclusion A.2.a. is deleted in its entirety.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

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Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – FOSTER PARENTS LIABILITY RETROACTIVE DATES

This endorsement modifies insurance under the following:

PUBLIC ENTITY ALL LINES AGGREGATE COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

This Coverage Part VII Foster Parents Liability Retroactive Dates are as follows:

July 1, 1996 For the first \$300,000 Each "Claim" and Aggregate
Limit of Insurance
and
July 1, 2015 For the next \$100,000 Each "Claim" and Aggregate
Limit of Insurance

excess an underlying \$200,000 Self-Insured Retention applicable to each Claim.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

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Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – VEHICULAR PURSUIT BY LAW ENFORCEMENT OFFICER

This endorsement modifies insurance under the following:

ALL LINES AGGREGATE INSURANCE

It is agreed that in the event of a conflict between the language contained in this policy and the "Nebraska Revised Statutes – Annotated, Chapter 81. State Administrative Departments, Article 8. Independent Boards and Commissions (P) Tort Claims, State Claims Board, and Risk Management "Program" , the following language from the Statute would apply:

"81-8,215.01. Vehicular pursuit by law enforcement officer; liability to third parties; reimbursement.

- (1) In case of death, injury, or property damage to any innocent third party proximately caused by the action of a law enforcement officer employed by the state during vehicular pursuit, damages shall be paid to such third party by the state employing the officer.
- (2) Upon payment by the state of those damages sustained by an innocent third party, whether upon voluntary settlement or in satisfaction of a judgment, the state shall be entitled to reimbursement of the amount of damages paid by the state from each and all of the following sources:
 - (a) The driver of the fleeing vehicle;
 - (b) Any organization, including a sole proprietorship, partnership, limited liability company, or corporation, liable for the conduct of the driver of the fleeing vehicle;
 - (c) Every insurer or self-insurance surety of either the driver of the fleeing vehicle or any organization, including a sole proprietorship, partnership, limited liability company, or corporation, liable for the conduct of the driver of the fleeing vehicle, except that no such insurer or self-insurance surety shall be required to pay in excess of the liability limit of its applicable policies or bonds;

- (d) Any uninsured or underinsured motorist insurer or self-insurance surety legally liable to the innocent third party, except that the sum recoverable from such insurer or self-insurance surety shall not exceed the highest limit of liability determined in accord with the Uninsured and Underinsured Motorist Insurance Coverage Act; and
 - (e) Any political subdivision employing law enforcement officers whose actions contributed to the proximate cause of death, injury, or property damage sustained by the innocent third party, except that the liability of any such political subdivision shall not exceed the lesser of (i) its maximum statutory liability pursuant to the Political Subdivisions Tort Claims Act, or (ii) the damages sustained by the innocent third party apportioned equally among the state and all political subdivisions employing law enforcement officers whose actions contributed to the proximate cause of the death, injury, or property damage sustained by the innocent third party.
- (3) This section shall not relieve any public or private source required statutorily or contractually to pay benefits for disability or loss of earned income or medical expenses of the duty to pay such benefits when due. No such source of payment shall have any right of subrogation or contribution against the state.
- (4) This section shall be considered part of the State Tort Claims Act and all provisions of the act apply.
- (5) For purposes of this section, vehicular pursuit means an active attempt by a law enforcement officer operating a motor vehicle to apprehend one or more occupants of another motor vehicle when the driver of the fleeing vehicle is or should be aware of such attempt and is resisting apprehension by maintaining or increasing his or her speed, ignoring the officer, or attempting to elude the officer while driving at speeds in excess of those reasonable and proper under the conditions.”

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

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INSURED The State of Nebraska

Policy No. 64-A3-EX-0000006-13

Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – COVERAGE PART VII - FOSTER PARENTS LIABILITY

This endorsement modifies insurance under the following:

PUBLIC ENTITY ALL LINES AGGREGATE COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

SECTION II DEFINITIONS

The following Definition is amended as follows:

3. "Foster child" means a person under the age of 19, who has been placed in foster family custody of a "foster parent" by the State of Nebraska.

SECTION III WHO IS AN INSURED

The following INSURED paragraph 2. is amended as follows:

2. If residing in the same household as a "foster parent", the following are insured, but only while acting within the course and scope of duty in providing care or custody of a "foster child":

- A. Relatives of the "foster parent"
- B. Relatives of the spouse of that "foster parent"; and
- C. Persons under the age of 19 in the care and custody of the "foster parent"

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

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Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**ENDORSEMENT – AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE FOR
SPECIFIED VEHICLES TO SATISFY CERTIFICATE OF INSURANCE HOLDER FOR COVERAGE
PART I AND PART III**

This endorsement modifies insurance under the following:

STATE OF NEBRASKA ALL LINES AGGREGATE COVERAGE FORM - COVERAGE PART I AND
COVERAGE PART III –

It is agreed that the following vehicles are included:

Division: 15, Vehicle Description: 2016 Dodge Caravan MPA, Serial No. 2C7WDGBG2GR195507, Garage
Location: Norfolk, NE New Cost: \$36,000.

Division: 18, Vehicle Description: 2016 Dodge Caravan MPA, Serial No. 2C7WDGBG2GR195510, Garage
Location: Scottsbluff, NE New Cost: \$36,000.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**THE PRINCETON EXCESS AND SURPLUS LINES
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by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – COVERAGE PART VI – SOCIAL ENGINEERING FRAUDULENT INSTRUCTION

This endorsement modifies insurance under the following:

PUBLIC ENTITY ALL LINES AGGREGATE COVERAGE FORM

- A. The following is added to **DECLARATIONS**:
Coverage VI. F. Social Engineering Fraudulent Instruction

- B. The following is added to **LIMITS OF INSURANCE**:

PART A. SPECIFIC EXCESS INSURANCE

Limits shown below for Part A., for each coverage, represent the difference between that limit:

Coverage VI. F. \$ 1,000,000 Each Loss
\$ 1,000,000 Annual Aggregate

And an underlying Self-Insured Retention of:

Coverage VI. \$ 25,000 Each Loss

C. The following Insuring Agreement is added to SECTION I - INSURING AGREEMENT of Coverage Part VI:

F. **Social Engineering Fraudulent Instruction**

1. **Coverage:**

We will pay you for that amount of "ultimate net loss" for loss excess of the applicable Self-Insured Retention resulting directly from you having in good faith, transferred "money", "securities" or "property other than money and securities" in reliance upon a "transfer instruction" purportedly issued by:

- a. An "employee";
- b. A "vendor"; or
- c. A "client",

but which "transfer instruction" proves to have been fraudulently issued by an imposter without the knowledge or consent of the person in Paragraph **1.a.**, **1.b.**, or **1.c.**

2. **Perils Insured:** Social Engineering Fraudulent Instruction

3. **Precondition:** Verification

The following is a precondition to coverage under this Insuring Agreement:
You shall verify all "transfer instructions" according to a pre-arranged callback or other established verification procedure before acting upon any such "transfer instruction". Such callback verification or other established verification procedure must be recorded, logged or otherwise documented by the "employee".

4. **Exclusions:**

We will not pay for loss resulting from any dishonest act committed by any of your "employees", directors, trustees, or authorized representatives, while performing services for you or otherwise, and whether acting alone or in collusion with other persons.

D. The following is added to SECTION II - LIMITS OF INSURANCE of Coverage Part VI:

As respects Insuring Agreement F of Coverage Part VI Insuring Agreement F of Coverage Part VI, the Annual Aggregate Limit is the most we will pay for the sum of all damages arising out of all "occurrences".

The Annual Aggregate Limit applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed to be part of the last preceding period for purposes of determining the Limits of Insurance.

E. The following is added to COVERAGE PART VI:

SECTION IV – DEFINITIONS

- 1. "Client" means an entity or individual to whom you sell goods or provide service under a written contract.

2. "Transfer Instruction" means an electronic, telegraphic, cable, teletype, telephone, or written instruction received by an "employee" that:
 - a. Directs the "employee" to transfer, pay, or deliver "money", "securities" or "property other than money and securities"; and
 - b. Contains a misrepresentation of a material fact which is relied upon by the "employee" to be true.
3. "Vendor" means an entity or individual from whom you purchase goods or receive services under a written contract.

F. POLICY DEFINITION 37. is amended to read as follows:

37. "Property other than money and securities," as used in Insuring Agreements A, B, C, D and E of Coverage Part VI, means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in Coverage Part I exclusions as Property Not Covered.

"Property other than money and securities," as used in Insuring Agreement F of Coverage Part VI, means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in Coverage Part I exclusions as Property Not Covered, computer programs or electronic data.

**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

Date Issued: July 1, 2017

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. (The following information is required only when this endorsement is issued subsequent to preparation of the Policy.)

INSURED The State of Nebraska

Policy No. 64-A3-EX-0000006-13 Endorsement Effective: July 1, 2017
(12:01 A.M.)

Countersignature *Mary Greene*
(Authorized Representative)

by THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ENDORSEMENT – COVERAGE PART VII - AMENDED DEFINITION OF FOSTER PARENT

This endorsement modifies insurance under the following:

PUBLIC ENTITY ALL LINES AGGREGATE COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

SECTION II - DEFINITIONS

The following Definition is amended as follows:

5. "Foster Parent" means a licensed individual who extends foster family care under the authority of the State of Nebraska. "Foster Parent" also means potential adoptive parents until a Court issues a final decree approving and finalizing the adoption. Potential adoptive parents must be licensed as foster parents, with possible exception for relative placements, and also meet all other requirements of Coverage Part VII Foster Parent's Liability.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.



Illinois Union Insurance Company
 525 W. Monroe Street
 Chicago, IL 60661

Flexible Excess Policy For Individual Public And Scholastic Entities Declarations

This Policy is issued by the stock insurance company shown above.

Policy Number: XPE G19851667 007	Previous Policy Number: XPE G19851667 006
Item 1. Named Insured and Principal Address The State of Nebraska 1526 K Street, Suite 220 PO Box 94974 Lincoln, NE 68509-4974	Producer Name and Address Aon Risk Services, Inc. 1120 20 th Street, NW, Suite 600 Washington, DC 20036

Item 2. Policy Period: From: July 01, 2017 12:01 a.m. To July 01, 2018 12:01 a.m. (Local time at the address shown in Item 1)

Item 3. Premium: \$590,000

Item 4. Limits of Insurance: <table style="margin-left: 40px; border: none;"> <tr> <td>Each act, accident, claim or occurrence, as applicable</td> <td style="text-align: right;">\$ 4,000,000</td> </tr> <tr> <td style="padding-left: 20px;">Aggregate Applicable to Coverages</td> <td style="text-align: right;">\$ N/A</td> </tr> <tr> <td style="padding-left: 20px;">Aggregate Applicable to Coverages</td> <td style="text-align: right;">\$ N/A</td> </tr> </table>	Each act, accident, claim or occurrence, as applicable	\$ 4,000,000	Aggregate Applicable to Coverages	\$ N/A	Aggregate Applicable to Coverages	\$ N/A
Each act, accident, claim or occurrence, as applicable	\$ 4,000,000					
Aggregate Applicable to Coverages	\$ N/A					
Aggregate Applicable to Coverages	\$ N/A					

Item 5. Schedule of Underlying Coverage The Schedule is described on Form No. PE-21086b, which forms a part of this Policy's Declarations.
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Item 6. Schedule of Forms and Endorsements Forming a part of this Policy at Inception	
Number	Title
	See attached Schedule of Forms and Endorsements

SCHEDULE OF FORMS AND ENDORSEMENTS

Named Insured The State of Nebraska			Endorsement Number Page 1 of 1
Policy Symbol XPE	Policy Number G19851667 007	Policy Period July 01, 2017 to July 01, 2018	Effective Date of Endorsement July 01, 2017
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

SCHEDULE OF FORMS

	Policy Forms	Title
	PE-21086b	Schedule of Underlying Coverage
	PE-21088d	Flexible Excess Policy

SCHEDULE OF ENDORSEMENTS

Endorsement Number	Form Number	Title
1	PE-21856	Coverage Provided by Underlying Coverage but Excluded from this Policy Endorsement
2	LD-2S74a	Nebraska Cancellation and Nonrenewal
3	ALL-21101	Trade or Economic Sanctions Endorsement
4	SL-34255a	Service of Suit
5	CC1K11h	Signature Endorsement
	SL-24691	Surplus Lines Notification
	ALL-1Z36a	Disclaimer Notice Commercial Lines Deregulation
	IL P 001	OFAC Policyholder Disclosure
	ALL-20887	Chubb Producer Compensation Practices & Policies



Schedule of Underlying Coverage

This schedule forms a part of the Policy's Declarations.

Policy Number: XPE G19851667 007

Named Insured: The State of Nebraska

		Insurer	Coverage	Limits of Insurance
A	Company Policy No. Policy Period		General Liability <input type="checkbox"/> Claims Made	Each Occurrence: \$ Excluded General Aggregate: \$ Products / Completed Operations Aggregate: \$ Self Insured Retention: \$
B	Company Policy No. Policy Period	Princeton Excess & Surplus 64-A3-EX-0000006-13 July 01, 2017 – July 01, 2018	Automobile Liability	Each Accident: \$ 700,000 Self Insured Retention: \$ 300,000 Each Accident
C	Company Policy No. Policy Period		Law Enforcement Liability <input type="checkbox"/> Claims Made	Each Occurrence: \$ Excluded Aggregate: \$ Self Insured Retention: \$
D	Company Policy No. Policy Period		Errors & Omissions <input type="checkbox"/> Claims Made	Each Claim: \$ Excluded Aggregate: \$ Self Insured Retention: \$
E	Company Policy No. Policy Period		Employment Practices Liability <input type="checkbox"/> Claims Made	Each Claim: \$ Excluded Aggregate: \$ Self Insured Retention: \$
F	Company Policy No. Policy Period		Employee Benefits Liability <input type="checkbox"/> Claims Made	Each Claim: \$ Excluded Aggregate: \$ Self Insured Retention: \$



Illinois Union Insurance Company
525 W. Monroe Street
Chicago, IL 60661

Flexible Excess Policy For Individual Public And Scholastic Entities

This is your Flexible Excess Policy. Some of the coverage provided by this Policy is provided on a claims made and reported basis depending upon the **Underlying Coverage**. Please read it carefully. Some provisions may limit or restrict coverage. Certain words and phrases that appear in bold print have special meanings found in Section 3 – Definitions. Throughout this Policy the words **You** and **Your** refer to the **Named Insured**. The words **We**, **Us**, and **Our** refer to the company providing this insurance.

In consideration of the payment of the premium, in reliance upon all statements and representations made in the application including information furnished in connection therewith and the statements shown on the Declarations page and in the Schedule of **Underlying Coverage** attached to this Policy, and subject to all the terms, definitions, conditions, exclusions and limitations of this Policy, **We** agree with **You** as follows:

SECTION 1 - INSURING AGREEMENTS

A. Coverage

We will indemnify the **Insured** for **Ultimate Net Loss** in excess of the **Underlying Coverage** that the **Insured** becomes legally obligated to pay as damages because of the injury or damage to which this insurance applies.

This insurance is subject to the same terms, conditions, agreements, exclusions and definitions as the **Underlying Coverage** except as otherwise provided in this Policy. If the **Underlying Coverage** does not pay a loss, then this insurance will not apply and **We** shall not indemnify the **Insured**.

If the **Underlying Coverage** provides coverage on an occurrence or a claims made basis, then this Policy provides such coverage on an occurrence or claims made basis respectively. If such coverage is provided on a claims made basis, **We** will provide the extended reporting period(s) to the same extent they are provided by the **Underlying Coverage**.

B. Limits of Insurance

1. Our total Limit of Insurance for **Ultimate Net Loss** resulting from any one act, claim, accident or occurrence, as applicable, will not exceed the amount specified in the Declarations. This will be true regardless of the number of:
 - a. Persons and organizations who are **Insureds** under this Policy;
 - b. Coverages provided under this Policy;
 - c. Claims made and suits brought against any or all **Insureds**;
 - d. Persons or organizations making claims;
 - e. Vehicles involved.
2. The Aggregate Limit(s) as stated in the Declarations is the most **We** will indemnify the **Insured** for **Ultimate Net Loss** to which this Policy applies, except **Ultimate Net Loss** for injury and damage covered by the Automobile Liability coverage specified in the Schedule of **Underlying Coverage**.
3. If the Limit of Insurance of the **Underlying Coverage** applicable to each act, claim, accident or occurrence has been exhausted by payments made by the **Insured** or on behalf of any **Insured** by the **Insurers** of the **Underlying Coverage**, this Policy shall then apply subject to all of the terms and conditions of such **Underlying Coverage** and the terms and conditions of this Policy.
4. This Policy shall only pay **Ultimate Net Loss** that is excess of the Limit of Insurance of the **Underlying Coverage** applicable to each act, claim, accident or occurrence. This Policy shall not drop down in the event of reduction or exhaustion of any underlying aggregate limit.

SECTION 2 - EXCLUSIONS

- A. This insurance does not apply to any injury, damage, expense, cost, loss, liability, or legal obligation, whether direct or indirect, arising out of:

1. The operation of the principles of eminent domain, condemnation, inverse condemnation, adverse possession, temporary or permanent taking;
 2. **Sexual Abuse** by an **Insured**;
 3. Any premium, assessment, penalty, fine, benefit or other obligation imposed by any Workers' Compensation Law, unemployment compensation or disability benefits law, the Jones Act, General Maritime Law, the Federal Employers' Liability Act, Federal Employee Compensation Act, the Defense Base Act, U.S. Longshoremen's and Harbor Workers' Compensation Act, Federal Coal Mine Health and Safety Act, any federal occupational disease law; any amendments to such laws or under any similar law for which **You**, or any insurance company as **Your Insurer**, may be held liable; or for which an **Insured** is a qualified self-insurer;
 4. Uninsured motorists, underinsured motorists, personal injury protection, first party benefits or similar no-fault coverage;
 5. Asbestos or asbestos containing materials;
 6. The toxic or pathological properties of lead, lead compounds or lead contained in any materials;
 7. Inhalation of dust or particulate matter. Dust or particulate matter may include, but is not limited to: inspirable dust, respirable dust, smoke, mist, dirt, fibers, grit, soot, salt, acids, bases, metals, aerosols, crystals, minerals, sand, silicates, or silica.
- B. Any Exclusion attached to this Policy by endorsement and the exclusions applicable to the **Underlying Coverage** shall apply to this insurance.

We shall have no duty or obligation to provide or pay for the investigation or defense of any claim or suit excluded in this Section 2 and in connection therewith Condition F. Defense and Settlement Provisions shall not apply.

SECTION 3 - DEFINITIONS

- A. **Insurer** means the insurance company, pool, trust or risk retention group providing the insurance under the **Underlying Coverage**.
- B. **Insured(s)** means those individuals and entities insured by the **Underlying Coverage**.
- C. **Named Insured** means the **Insured** named in Item 1 of the Declarations.
- D. **Sexual Abuse** means any actual, attempted or alleged criminal sexual conduct of a person by another person, or persons acting in concert, which causes physical and or mental injuries. Sexual Abuse includes: sexual molestation, sexual assault, sexual exploitation or sexual injury. Sexual Abuse does not include sexual harassment.
- E. **Ultimate Net Loss** means all sums actually paid, or which the **Insured** is legally obligated to pay, as damages in settlement or satisfaction of claims or suits for which insurance is afforded under this Policy, after proper deduction for all recoveries or salvages.
Ultimate Net Loss also includes reasonable defense expenses as specified in Condition F. Defense and Settlement Provisions when **Underlying Coverage** includes defense expenses within the Limits of Insurance. However, if the **Underlying Coverage** provides defense expenses in addition to the Limits of Insurance, then **Ultimate Net Loss** will not include defense expenses.
- F. **Underlying Coverage** means the policy or policies of insurance, or coverage documents as described in the Declarations and Schedule of Underlying Coverage forming a part of this Policy.

SECTION 4 - CONDITIONS

- A. Alterations, Assignments and Headings
 1. Notice to any agent or knowledge possessed by any agent or by any other person shall not affect a waiver or a change in any part of this Policy nor prevent **Us** from asserting any right under the terms of this Policy.
 2. No change in, modification of, or assignment of interest under this Policy shall be effective except when made by a written endorsement to the Policy signed by **Our** authorized representative.
 3. The name(s), title(s) and descriptions in the headings and sub-headings of this Policy are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.

B. Appeals

We may appeal a judgment against any **Insured** under this Policy if:

1. The judgment is for more than the amount of the remaining Limits of Insurance under the **Underlying Coverage**, whichever applies; and
2. The **Insured** or the **Insurers** of the **Underlying Coverage** do not appeal it.

C. Authorization Clause

By the acceptance of this Policy, the **Named Insured** agrees to act on behalf of all **Insureds** with respect to the giving and receiving of notice of claim, the giving or receiving of notice of cancellation or non renewal, the payment of premiums and the receiving of any premiums that may become due under this Policy, the agreement to and acceptance of endorsements, consenting to any settlement, exercising the right to the extended reporting period, and the giving or receiving of any other notice provided for in this Policy, and all **Insureds** agree that the **Named Insured** shall so act on their behalf.

D. Duties In the Event of Act, Accident, Occurrence, Wrongful Act, or Claim, as Applicable

1. **You** must see to it that:

- a. **We** are notified in writing as soon as practicable once **You** have knowledge of any act, accident, occurrence or wrongful act which may reasonably and subsequently give rise to a claim being made against an **Insured** that is likely to result in liability for **Us** under this Policy. Notice shall be deemed given as soon as practicable if it is given to **Us** by the department or person to whom **You** have delegated such claims reporting responsibility as soon as practicable after they have knowledge of such act, accident, occurrence or wrongful act;
- b. **You** immediately make a written record of specific information about any claim which appears reasonably likely to involve indemnification under this Policy, including but not limited to:
 - i. The identity of any potential claimants;
 - ii. A description of any anticipated wrongful act allegations;
 - iii. The identity of the **Insured** allegedly involved;
 - iv. The circumstances by which the **Insured** first became aware of the act, accident, occurrence or alleged wrongful act;
 - v. The consequences which have resulted or may result;
 - vi. The nature of the potential monetary damages; and
 - vii. The date the claim was received;
- c. **You** notify **Us** in writing as soon as practicable and provide **Us** with all the information required under section b above. Notice shall be deemed given as soon as practicable if it is given to **Us** by the department or person to whom **You** have delegated such responsibility as soon as practicable after they have knowledge of such claim;
- d. Notice will be made to:

MAIL	Chubb North American Claims P.O. Box 5122 Scranton, PA 18505-0554
EMAIL	ACEClaimsFirstNotice@chubb.com
FAX	(877) 395-0131 (Toll Free) (302) 476-7254 (Local)
PHONE	(800) 433-0385 – Business Hours (800) 523-9254 – After Hours

- e. **We** receive any assistance **We** reasonably request in the enforcement of any right against any person or organization which may be liable.
2. **You** must notify **Us** and provide information in the manner specified above of any act, accident, occurrence, wrongful act or claim, regardless of the coverage or liability, which involves any of the following:
 - a. Results in the establishment of a reserve, or would reasonably require the establishment of a reserve, for **Damages** which equals or exceeds 50% of the **Underlying Coverage**; or

- b. Involves a notice of **Claim** for a **Wrongful Act** which is reasonably likely to equal or exceed 25% of the **Underlying Coverage**; or
- c. Involves any of the following:
 - i. Any injury to the spinal cord or vertebrate, including paraplegia, quadriplegia and partial paralysis;
 - ii. Any serious head injury including skull fracture;
 - iii. A brain or brain stem injury;
 - iv. Any burn to 25% or more of the body;
 - v. A fatality;
 - vi. Any amputation or loss of use of a major extremity or multiple minor extremities;
 - vii. Sensory Loss (such as sight, hearing, smell, touch or taste);
 - viii. Multiple Fractures or serious disfigurement or scarring;
 - ix. Bodily injury resulting from use of a weapon or restraining device by law enforcement which is reasonably likely to equal or exceed 25% of the **Underlying Coverage**;
 - x. Any suit filed as a mass tort or a class action, whether any such class action or class is certified.

E. Cooperation

The **Insured** shall give **Us** and its **Insurers** such information and cooperation as they may reasonably require.

F. Defense and Settlement Provisions

1. **We** have no duty to defend or assume charge of any settlement or defense of any claim made, suit brought, or proceedings instituted against the **Insured**. However, **We** shall have the right, but not the duty, and shall be given the opportunity to associate with the **Insured** in the investigation, settlement or defense of any claim, suit or proceeding which in **Our** opinion may create liability under the terms of this Policy, whether or not the **Underlying Coverage** has been exhausted.
2. If the defense expenses are included within the Limit(s) of Insurance of the **Underlying Coverage** by the terms of that policy or coverage document, then any such defense expenses **We** make shall reduce the Limit of Insurance of this Policy.
3. If the **Underlying Coverage** does not include defense expenses within its Limit of Insurance by the terms of that policy(ies) or coverage document, then any such expense payment **We** make shall not reduce the Limit of Insurance of this Policy.
4. Subject to 2. and 3. above, **We** shall not pay any expenses except as follows:
 - a. Payments allocated to a specific claim, suit, or proceeding for the investigation, settlement or defense, including reasonable attorney fees and other litigation costs;
 - b. Post-judgment interest on the amount of the judgment to which this Policy applies;
 - c. Prejudgment interest for which the **Insured** is legally obligated, provided:
 - i. The **Underlying Coverage** pays prejudgment interest; and
 - ii. **Our** share of prejudgment interest shall not exceed the proportion that payment of damages under this Policy bears to the total damages determined by final judgment or settlement;
 - d. **We** will pay all costs taxed against the **Insured** in a suit to the extent that they are not included in the **Underlying Coverage**.
5. If an expense is incurred directly by **Us** and solely at **Our** discretion, then **We** will pay such expense.
6. When **Our** applicable Limit(s) of Insurance has been paid, **We** will no longer defend or associate with the **Insured**.
7. **You** must obtain **Our** prior written approval before offering or agreeing to pay any amount of **Ultimate Net Loss** in order to settle a claim that may create indemnification obligations for **Us**.
8. **We** shall have the right to settle any claim that in **Our** sole opinion may create indemnification obligations for **Us**.

G. Extended Reporting Period Premium

If the **Insured** elects an extended reporting period as set forth in the **Underlying Coverage** following the cancellation or non-renewal of this Policy, the **Insured** shall pay to **Us** an additional premium which **We** will determine in accordance with **Our** rules and rates. The additional premium will not exceed 250% of the annual premium for the applicable coverage.

H. Financial Impairment

Bankruptcy or insolvency of any **Insured** or the estate of any **Insured** (or any **Insurer** providing **Underlying Coverage** or an **Insured's** inability to pay any part of the **Underlying Coverage** shall not relieve **Us** of **Our** obligations nor deprive **Us** of any rights or defenses under this Policy.

In the event there is a reduced recovery or no recovery available to an **Insured** as a result of the financial impairment or unwillingness of any **Insurer** providing **Underlying Coverage** (as set forth in the Schedule of **Underlying Coverage**), the coverage under this Policy shall apply only in excess of the Limits of Insurance stated in the Schedule of **Underlying Coverage**. Under no circumstances shall **We** be required to drop down and replace any underlying Limit of Insurance, or assume any other obligations of any financially impaired **Insurer** or **Insured** or increase any of our obligations under this Policy.

I. Maintenance of Underlying Coverage

1. This Policy is subject to the same representations as are contained in any application for any **Underlying Coverage** and the same terms, definitions, conditions, exclusions and limitations (except as regards the premium, the limits of insurance, the policy period and except as otherwise provided herein) as are contained in or as may be added to the **Underlying Coverage** and, to the extent coverage is further limited or restricted thereby, to any other **Underlying Coverage**. In no event shall this Policy grant broader coverage than would be provided by the **Underlying Coverage**.
2. It is a condition of this Policy that the **Underlying Coverage** be maintained in full effect with solvent **Insurers** during the policy period except for any reduction or exhaustion of the aggregate limits contained therein by reason of covered damages paid thereunder. If the **Underlying Coverage** is not so maintained, **We** shall not be liable under this Policy to a greater extent than **We** would have been had such **Underlying Coverage** been so maintained.
3. If during the policy period or any extended reporting period the terms, conditions, exclusions or limitations of the **Underlying Coverage** are changed in any manner, the **Insured** shall as a condition precedent to its rights to coverage under this Policy give to **Us** written notice of the full particulars thereof as soon as practicable but in no event later than 30 days following the effective date of such change. This Policy shall become subject to any such changes upon the effective date of the changes in the **Underlying Coverage**, provided that the **Insured** shall pay any additional premium reasonably required by **Us** for such changes.
4. If such **Underlying Coverage** is not maintained in full effect or is materially changed, or if any Limits of Insurance of the **Underlying Coverage** are:
 - a. Less than as stated in the Schedule of **Underlying Coverage**; or
 - b. Unavailable due to bankruptcy or insolvency of an **Insurer**;

then the insurance afforded by this Policy shall apply in the same manner as if such **Underlying Coverage** and Limits of Insurance had been in effect, available, so maintained and unchanged.

The risk of uncollectibility (in whole or in part) of the Limits of Insurance of the **Underlying Coverage**, or replacements thereof, whether because of financial impairment or insolvency of an **Insurer** or for an other reason, is expressly retained by **You** and is not in any way or under any circumstances insured or assumed by **Us**.

5. In the event of cancellation or termination of any applicable **Underlying Coverage**, this Policy shall cease to apply at the same time without notice to **You**. **You** agree to notify **Us** promptly if any **Underlying Coverage** is cancelled or terminated.
6. As a condition precedent to its rights under this Policy, the **Insured** shall give to the **Us** as soon as practicable written notice and the full particulars of (i) the exhaustion of the aggregate limit of insurance of any **Underlying Coverage**, (ii) any **Underlying Coverage** not being maintained in full effect during the policy period, or (iii) an **Insurer** of any **Underlying Coverage** becoming subject to a receivership, liquidation, dissolution, rehabilitation or similar proceeding or being taken over by any regulatory authority.

J. Rights of Third Parties

This Policy grants no rights whatsoever to any person or organization to sue **Us** or join **Us** as a party to any action against any **Insured** to determine the liability of any **Insured** nor shall **We** be impleaded by any **Insured** or its legal representatives.

K. Termination of the Policy

1. The **Named insured** may cancel this Policy at any time by sending **Us** a written request or by returning the Policy stating the date of cancellation.
2. **We** may cancel this Policy at any time by mailing to the **Named Insured** a notice of cancellation 60 days (10 days in the event of non-payment of premium) in advance of the cancellation date. **Our** notice of cancellation will be mailed to the **Named Insured's** last known address, and will indicate the date on which coverage is terminated.
3. If cancellation is requested by the **Named Insured**, return premium will be computed at 90% of the pro rata premium. If **We** cancel, return premium will be computed pro rata. If this Policy insures more than one **Named Insured**, cancellation may be effected by the **Named Insured** shown on the Declarations Page for the account of all the **Named Insureds**. Notice of cancellation by **Us** to the **Named Insured** will be deemed notice to all **Insureds** and payment of any return premium to such **Named Insured** will be for the account of all interests.
4. This Policy shall also terminate at the earliest of the following times:
 - i. Upon expiration of the policy period as set forth in Item 2. of the Declarations; or
 - ii. At such other time as may be agreed upon by the **Us** and **Named Insured**.
5. Either party may elect to non-renew the Policy at its expiration date for any reason.

L. When **Ultimate Net Loss** is Payable

Ultimate Net Loss is not payable by **Us** until:

1. The **Insurer** providing **Underlying Coverage** is obligated to pay the full amount of its applicable Limit of Insurance for injury or damage also covered by this Policy; and
2. The **Insured's** legal obligation is evidenced either by a judgment against the **Insured** after an actual trial, or by any arbitration award entered as a judgment, or by a written settlement executed by the **Insured** and the claimant(s).

When the **Ultimate Net Loss** is payable as described above, the **Insured** shall make a demand for payment for any amount of the **Ultimate Net Loss** for which **We** may be liable under this Policy, after the **Insured** has paid such amount. **We** will promptly indemnify the **Insured** the amount of **Ultimate Net Loss** which is in accordance with the terms and conditions of this Policy.

**COVERAGE PROVIDED BY UNDERLYING COVERAGE
BUT EXCLUDED FROM THIS POLICY ENDORSEMENT**

Named Insured The State of Nebraska			Endorsement Number 1
Policy Symbol XPE	Policy Number G19851667 007	Policy Period July 01, 2017 to July 01, 2018	Effective Date of Endorsement July 01, 2017
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This Endorsement modifies insurance provided under the following:

**FLEXIBLE EXCESS POLICY FOR GROUP PUBLIC AND SCHOLASTIC ENTITIES
FLEXIBLE EXCESS POLICY FOR INDIVIDUAL PUBLIC AND SCHOLASTIC ENTITIES**

**Schedule of Coverage(s) Provided and/or Defined in the Underlying Coverage
But Not Covered by this Policy**

- A. Foster Parent's Liability
- B. Law Enforcement Liability Exclusion
- C. Products-Completed Operations Exclusion
- D. Property Damage Exclusion - Real and/or Personal Property
- E. Sexual Abuse Liability Exclusion
- F. Sexual Harassment Liability Exclusion
- G. Public Officials E&O Exclusion
- H. Pollution Exclusion – Hostile Fire Exception
- I. Asbestos Exclusion
- J. Employment Related Practices Exclusion
- K. Mold/Fungi Exclusion
- L. War Exclusion
- M. Automobile First Party Coverage Exclusion
- N. Nuclear Energy Exclusion
- O. General Liability
- P. Crime

This Policy does not apply to any liability, loss or expense arising out of the coverage(s) shown in the Schedule above.

All other terms and conditions of the Policy remain unchanged.

Authorized Agent

NEBRASKA - CANCELLATION AND NONRENEWAL

Named Insured The State of Nebraska			Endorsement Number 2
Policy Symbol XPE	Policy Number G19851667 007	Policy Period July 01, 2017 to July 01, 2018	Effective Date of Endorsement July 01, 2017
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

If the policy or coverage part to which this endorsement applies contains cancellation or nonrenewal provisions more favorable to the Named Insured than this endorsement, then those provisions apply.

I. The Cancellation Condition is replaced by the following:

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing by registered, certified or first class mail to the first Named Insured at the Insured's last known mailing address written notice of cancellation, stating the reasons for cancellation, at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. 60 days before the effective date of cancellation if cancellation is for any other reason.

If sent by First Class Mail, a United States Postal Services certificate of mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate.

If this policy has been in effect for 60 days or more or is a renewal of a policy written through us, we may cancel this policy only for one or more of the following reasons:

- a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. You submit a fraudulent claim under this policy;
 - d. Violation by you of any of the terms and conditions of this policy;
 - e. The risk originally accepted has substantially increased;
 - f. Certification to the Director of Insurance of our loss of reinsurance which provided coverage to us for all or a substantial part of the underlying risk insured; or
 - g. The determination by the Director of Insurance that the continuation of the policy could place us in violation of the Nebraska Insurance laws.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
 4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
 5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
 6. If notice is mailed, proof of mailing will be sufficient proof of notice.

II. The following Condition supersedes any other provisions to the contrary:

NONRENEWAL

- A. If we decide not to renew this policy, we will mail by registered, certified or first class mail written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured at the Insured's last known mailing address, at least 60 days prior to the expiration date of this policy.
- B. If sent by First Class Mail, a United States Postal Service certificate of mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate.

Authorized Agent

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

Named Insured The State of Nebraska			Endorsement Number 3
Policy Symbol XPE	Policy Number G19851667 007	Policy Period July 01, 2017 to July 01, 2018	Effective Date of Endorsement July 01, 2017
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of policy remain unchanged.

Authorized Agent

SERVICE OF SUIT ENDORSEMENT

Named Insured The State of Nebraska			Endorsement Number 4
Policy Symbol XPE	Policy Number G19851667 007	Policy Period July 01, 2017 to July 01, 2018	Effective Date of Endorsement July 01, 2017
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Information about service of suits upon the company is given below. Service of process of suits against the company may be made upon the following person, or another person the company may designate:

Mr. Paul Bech, Esq., Assistant General Counsel
Chubb
436 Walnut Street
Philadelphia, PA 19106-3703

The person named above is authorized and directed to accept service of process on the company's behalf in any action, suit or proceeding instituted against the company. If the insured requests, the company will give the insured a written promise that a general appearance will be entered on the company's behalf if a suit is brought.

If the insured requests, the company will submit to the jurisdiction of any court of competent jurisdiction. The company will accept the final decision of that court or any Appellate Court in the event of an appeal. However, nothing in this endorsement constitutes a waiver of the company's right to: remove an action to a United States District Court, seek a transfer of a case to another court, or to enforce policy provisions governing choice of law or venue selection, as may be permitted by the laws of the United States, or of any state in the United States.

The law of some jurisdictions of the United States of America requires that the Superintendent, Commissioner or Director of Insurance (or their successor in office) be designated as the company's agent for service of process. In these jurisdictions, the company designates the Director of Insurance as the company's true and lawful attorney upon whom service of process on the company's behalf may be made. The company also authorizes the Director of Insurance to mail process received on the company's behalf to the company person named above.

If the insured is a resident of Canada, the insured may also serve suit upon the company by serving the government official designated by the law of the insured's province.

NOTHING HEREIN CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, OR LIMITATIONS OF THE POLICY TO WHICH THIS ENDORSEMENT IS ATTACHED OTHER THAN AS ABOVE STATED.

Authorized Representative

SIGNATURES

Named Insured The State of Nebraska			Endorsement Number 5
Policy Symbol XPE	Policy Number G19851667 007	Policy Period July 01, 2017 to July 01, 2018	Effective Date of Endorsement July 01, 2017
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.


THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

By signing and delivering the policy to you, we state that it is a valid contract.

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA (A stock company)
BANKERS STANDARD FIRE AND MARINE COMPANY (A stock company)
BANKERS STANDARD INSURANCE COMPANY (A stock company)
ACE AMERICAN INSURANCE COMPANY (A stock company)
ACE PROPERTY AND CASUALTY INSURANCE COMPANY (A stock company)
INSURANCE COMPANY OF NORTH AMERICA (A stock company)
PACIFIC EMPLOYERS INSURANCE COMPANY (A stock company)
ACE FIRE UNDERWRITERS INSURANCE COMPANY (A stock company)
WESTCHESTER FIRE INSURANCE COMPANY (A stock company)

436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106-3703


REBECCA L. COLLINS, Secretary


JOHN J. LUPICA, President

Authorized Representative

CHUBB®

- Illinois Union Insurance Company
- Westchester Surplus Lines Insurance Company
- ACE American Insurance Company _____

Insured:

Attached To Policy No.: XPE G19851667 007

The State of Nebraska
1526 K Street, Suite 220
PO Box 94974
Lincoln, NE 68509-4974

Effective Date: 07/01/2017

NEBRASKA SURPLUS LINES NOTIFICATION

This policy is issued by a nonadmitted insurer, and in the event of the insolvency of such insurer, this policy will not be covered by the Nebraska Property and Liability Insurance Guaranty Association.

NOTHING HEREIN CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, OR LIMITATIONS OF THE POLICY TO WHICH THIS NOTICE IS ATTACHED OTHER THAN AS STATED ABOVE.

CHUBB®

Disclaimer Notice Commercial Lines Deregulation

The policy to which this form is attached has been issued using Rates, Rules, and/or Contract Provisions and Forms that are exempt from the filing and approval requirements of the Department of Insurance in your state of domicile.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

**Chubb Producer Compensation
Practices & Policies**

Chubb believes that policyholders should have access to information about Chubb's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at <http://www.chubbproducercompensation.com> or by calling the following toll-free telephone number: 1-866-512-2862.

SPECIFICATIONS BUSINESS CARD AND LETTERHEAD PRINTING

1. SUPPLEMENTAL INSTRUCTIONS TO BIDDERS

- 1.1 The City of Lincoln and Lancaster County, hereinafter referred to as Owners are requesting bids for the printing and delivery of business cards and letterhead.
- 1.2 Bid price shall include the entire cost of printing and delivering business cards and letterhead to all City of Lincoln and Lancaster County agencies and departments, including labor, materials, accessories and any other expenses.
- 1.3 Only vendors who can provide a proven online ordering system will be considered.
- 1.4 Vendor shall submit bid documents and all supporting material via e-bid.
- 1.5 All inquiries regarding these specifications shall be directed via e-mail or faxed request to Bob Walla, Asst. Purchasing Agent (rwalla@lincoln.ne.gov) Or Fax:(402)441-6513.
 - 1.5.1 These inquiries and/or responses shall be distributed to prospective bidders electronically as an addenda.
 - 1.5.2 The City/County Purchasing Office shall only reply to written inquiries received within five (5) calendar days of bid opening.
- 1.6 Award for this bid will not be based on price alone.
 - 1.6.1 System functionality and ease of use will be evaluated when making award.
- 1.7 The term of the contract will be for one (1) year with the option to renew for (3) three additional (1) one year periods.
 - 1.7.1 The Owners prefer a contract with a firm fixed price for the initial term of the contract.

2. ONLINE ORDERING REQUIREMENTS

- 2.1 Vendor must have a web-based online ordering system that has been utilized by other customers for at least one year.
- 2.2 System requirements shall include, but not be limited to, the following functions:
 - 2.2.1 Easy to read instructions and prompts from one screen to the next.
 - 2.2.2 Numerous logins and passwords for departments based on style and type of card used.
 - 2.2.3 Ability to enter Name, 1-3 Phone Numbers, Email Address, Title and Website into template for each employee.
 - 2.2.4 Ability to enter the number of cards for purchase.
 - 2.2.5 Ability to track card order via website or directly to one individual at vendor location.
 - 2.2.6 Security options available to protect against unauthorized orders.
 - 2.2.7 Ability to proof card while online before giving approval for printing.
 - 2.2.8 A standard or customized card template for each department or agency that has been approved by a City/County representative.
 - 2.2.9 Price for cards will appear on the proof sheet based on the quantity and style of card ordered.
 - 2.2.10 Other capabilities that may be available which would be a benefit to the City and County.
- 2.3 Vendor must be able to demonstrate their system upon request by the City/County Purchasing office.

3. BUSINESS CARD PRINTING REQUIREMENTS

- 3.1 It is estimated the Owners have approximately 1,800 business card users.
- 3.2 There are standard cards for most City and County use and specialized cards for certain departments.
- 3.3 Standard cards use 80 lb Cover - Exact Offset Opaque or Equivalent white paper with Blue PMS-286 Ink.
 - 3.3.1 All other cards shall be 80 lb Cover paper with various colored paper and ink.
 - 3.3.2 Vendor will provide pricing in their Ebid response for various types of cards ordered.
- 3.4 There are no bleeds in the standard business cards.
- 3.5 Current files for most cards may be made available to the selected vendor in the form of a Corel Draw file or PDF.
 - 3.5.1 Vendor must have the ability to layout and design cards that currently do not have a file.
 - 3.5.2 Vendor shall provide a cost per card for layout and design in their Ebid response.
- 3.6 No agency or individual will be allowed to change, alter or totally revise any cards without the consent and approval of the City and/or County representative.
- 3.7 Business cards shall have a minimum of 10% recycled content paper.

- 3.8 Business cards will be quoted based on an order of 250 or 500 cards.
 - 3.8.1 Vendor may provide quotes to departments for other quantities as requested.
- 3.9 Vendor shall have a process in place to print or copy cards for new employees to use until their new order is complete.
 - 3.9.1 Vendor shall provide a quote for these cards which will be used on an as-needed basis.

4. LETTERHEAD PRINTING REQUIREMENTS

- 4.1 It is estimated that the Owners have approximately 50 different letterhead designs.
- 4.2 There are standard letterhead for City and County use with specialized letterhead for certain departments.
- 4.3 Standard letterhead uses 60 lb - Exact Offset Opaque or Equivalent white paper with Blue PMS-286 Ink.
 - 4.3.1 All other letterhead shall be 60 lb paper with various colored paper and ink.
 - 4.3.2 Vendor will provide pricing in their Ebid response for various types and quantities of letterhead ordered.
- 4.4 Current files for some letterhead will be made available to the selected vendor in the form of a Corel Draw file or PDF.
 - 4.4.1 Vendor must have the ability to layout and design letterhead that currently do not have a file.
 - 4.4.2 Vendor shall provide a cost per letterhead for layout and design in their Ebid response.
- 4.5 No agency or individual will be allowed to change, alter or totally revise any letterhead without the consent and approval of the City and/or County representative.
- 4.6 Letterhead shall have a minimum of 10% recycled content paper.

5. ORDERS AND DELIVERY

- 5.1 City and County agencies shall order cards and letterhead from the online ordering program in various quantities at a price which will be listed in the Vendors Ebid response.
- 5.2 The total combined minimum order for the best pricing available shall be a total of 2,000 cards or letterhead.
 - 5.2.1 Agencies who wish to order before the combined minimum quantity is met shall have the option to pay an additional fee for cards or letterhead.
- 5.3 Vendor shall provide desktop delivery to all City and County agencies within the Lincoln City Limits.

6. VENDOR REQUIREMENTS

- 6.1 A primary contact person will be designated by the Vendor upon award of contract in order for the departments to request information or assistance in the ordering process.
- 6.2 Vendor may be required to make visits to agencies to demonstrate the ordering process to staff or resolve any issues related to the ordering process.
- 6.3 Vendor must provide an insurance Certificate of Accord meeting the insurance requirements as outlined in the Insurance Requirement document attached to the Bid Attachments section of the Ebid.

**SPECIAL PROVISIONS
FOR
TERM CONTRACTS**

**PURCHASING DEPARTMENT
CITY OF LINCOLN/LANCASTER COUNTY, NEBRASKA**

1. ESTIMATED QUANTITIES

- 1.1 The quantities set forth in the line items and specification document are approximate and represent the estimated requirements for the contract period.
- 1.2 Items listed may or may not be an inclusive requirements for this category.
- 1.3 Category items not listed, but distributed by bidder are to be referred to as kindred items. Kindred items shall receive the same percentage of discount or pricing structure as items listed in the specification document.
- 1.4 The unit prices and the extended total prices shall be used as a basis for the evaluation of bids. The actual quantity of materials necessary may be more or less than the estimates listed in the specification document, but the City/County shall be neither obligated nor limited to any specified amount. If possible, the Owners will restrict increases/decreases to 20% of the estimated quantities listed in the specification document.

2. CONTRACT PERIOD

- 2.1 The material shall be delivered as ordered during the contract period, beginning from the date of contract execution and ending as indicated in the specifications or in the Attribute Section of the bid.
- 2.2 Bidder must indicate in the Bid, if extension renewals are an option.
- 2.3 By mutual consent of both parties it is understood and agreed that the contract may be renewed at the same prices and/or under the same conditions governing the original contract.

3. BID PRICES

- 3.1 Bidders must state in the Attribute Section if the bid prices will remain firm for the full contract period; or if the bid prices will be subject to escalation/de-escalation.
- 3.2 Escalation/De-escalation Clause: In the event that prevailing market conditions warrant an adjustment in bid prices contained in the contract, the following escalation/de-escalation clause shall be the only clause applicable or acceptable:
 1. Contractor shall give written notice to the Purchasing Agent of any proposed changes from contract prices not less than thirty (30) calendar days prior to the effective date of said price changes.
 2. Such notice must be accompanied by a certified copy of the supplier's advisory or notification to the contractor of price changes.
 3. No price escalation will be authorized in excess of the amount of the increase referred to on the supplier's notice.
 4. Purchasing shall issue a contract Addendum with revised pricing upon receipt and approval. The Addendum will be executed by both parties for the remaining term of the contract.
 5. The approved price change shall be honored for all orders received by the contractor after the effective date of such price change.
 6. Approved price changes are not applicable to orders already issued and in process at time of price change.

7. Purchasing reserves the right to audit and/or examine any pertinent books, documents, papers, records or invoices relating directly to the contract transaction in question after reasonable notice and during normal business hours.
8. The Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interests of the City/County.
9. If in the opinion of the Purchasing Agent any proposed increase is found unacceptable, the Purchasing Agent reserves the right to cancel the contract upon thirty (30) calendar days written notice.
10. Contractors must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Contractor will put the Purchasing Agent on the mailing lists for such publication so that the Purchasing Agent can monitor said changes. Such membership will be no cost to the Owners.

4. CONTRACT ADMINISTRATION

- 4.1 The Purchasing Division will issue a Contract to all successful bidders. Such contract will incorporate the specifications and all other forms used during the bid process.
- 4.2 Orders for materials will be made as needed by the various Agencies following execution by all parties.
- 4.3 Contractor may be asked to assist the Purchasing Agent with the development of a list of repetitively purchased commodities, to periodically update such list, and to assist in the development of a list of suitable substitutions.
- 4.4 Contractor shall provide technical advice upon request, and assist in the evaluation of new products.
- 4.5 Contractor shall monitor orders to ensure the highest possible fill rate and minimize back-orders.

5. QUARTERLY REPORT

- 5.1 Upon request, the contractor shall provide to the Purchasing Agent a quarterly report, showing all purchases made under the terms and conditions of the contract.
- 5.2 Such quarterly report shall itemize the following information:
 1. Each ordering department.
 2. Items and quantities purchased by department.
 3. Total dollar amount of purchases by department.



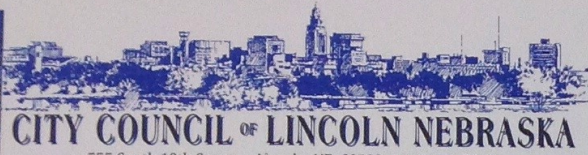
Lincoln/Lancaster County

County/City Building - 1st Floor
555 South 10th Street, Suite 107
Lincoln, NE 68508
(402) 441-4944
(402) 441-6805 Fax
www.lincoln.ne.gov

Name Title
email@lancaster.ne.gov



DEPARTMENT
Address City, STATE Zip
Phone 1 Phone 2 Phone 3 lincoln.ne.gov



CITY COUNCIL OF LINCOLN NEBRASKA

555 South 10th Street • Lincoln, NE 68508 • 402-441-7515

FAX: 402-441-6533 • E-MAIL: council@lincoln.ne.gov

DOUG EMERY
City Council Member
Northeast District



LANCASTER COUNTY BOARD OF COMMISSIONERS

Roma Amundson Larry Hudkins Deb Schorr Brent Smoyer Jane Raybould

Kerry Eagan, Chief Administrative Officer Gwen Thorpe, Deputy Administrative Officer

555 South 10th Street, Suite 110 / Lincoln, NE 68508 / (402) 441-7447 / Fax: (402) 441-6301
Email: commsh@lancaster.ne.gov / www.lancaster.ne.gov

Office of the Sheriff Lancaster County

Terry T. Wagner
Sheriff

Todd Duncan
Chief Deputy

575 S. 10th Street, Lincoln, Nebraska 68508-2869
Phone (402) 441-6500 Fax (402) 441-8320





PARKING SERVICES DIVISION
Urban Development Department
850 "Q" Street, Lincoln, NE 68508
402-441-PARK fax: 402-441-6476



parkandgo.org



LANCASTER COUNTY TREASURER
ANDY STEBBING

555 South 10th Street
Lincoln, NE 68508

Candace Meredith
Chief Deputy

Phone (402) 441-7425
Fax (402) 441-8841
www.lancaster.ne.gov/treasurer

INSURANCE CLAUSE FOR ALL CITY OF LINCOLN, LANCASTER COUNTY AND PUBLIC BUILDING COMMISSION CONTRACTS

Insurance coverage on this Contract will be required for the entities selected below

City of Lincoln Lancaster County Public Building Commission

Vendors must provide coverage & documents related to the items with a check mark in Sections 1 – 1.9.

This includes proof of coverage and waivers as required below.

All Vendors must comply with Sections 2-8.

**THE REQUIREMENTS HEREIN APPLY TO CONTRACTS TO BE ISSUED BY THE CITY OF LINCOLN,
LANCASTER COUNTY, AND THE LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION.
FOR PURPOSES OF CERTIFICATES, ENDORSEMENTS AND OTHER PROOF REQUIRED HEREIN, ONLY
INCLUDE THE ENTITY ISSUING THE CONTRACT.**

**FAILURE OF THE APPROPRIATE ENTITY (CITY, COUNTY, OR PUBLIC BUILDING COMMISSION) TO
OBJECT TO THE FORM OF THE CERTIFICATE OR ENDORSEMENT OR TO DEMAND SUCH PROOF AS
IS REQUIRED HEREIN SHALL NOT CONSTITUTE A WAIVER OF ANY OF THE INSURANCE
REQUIREMENTS SET FORTH BELOW.**

Insurance; Coverage Information

The Contractor shall, prior to beginning work, provide proof of insurance coverage in a form satisfactory to the City/County/PBC, which shall not withhold approval unreasonably. The coverages and minimum levels required by this Contract are set forth below and shall be in effect for all times that work is being done pursuant to this Contract. No work on the Project or pursuant to this Contract shall begin until all insurance obligations herein are met to the satisfaction of the City/County/PBC, which shall not unreasonably withhold approval. Self-insurance shall not be permitted unless consent is given by the City/County/PBC prior to execution of the Contract and may require submission of financial information for analysis. Deductible levels shall be provided in writing from the Contractor's insurer and will be no more than \$25,000 per occurrence or as may be approved by the City or County as appropriate. Said insurance shall be written on an **OCCURRENCE** basis, and shall be **PRIMARY, with any insurance coverage maintained by the City/County/PBC being secondary or excess.**

Certificates

The Contractor shall provide certificates of insurance and such other proof, such as endorsements, as may be acceptable to the City or County (as appropriate) evidencing compliance with these requirements. The Contractor shall provide a Certificate of Insurance demonstrating the coverage required herein and the necessary endorsements or other proof and waivers described herein and below before being permitted to begin the work or project pursuant to this Contract.

1. Commercial General Liability

The Contractor shall provide proof of Commercial General Liability Insurance with a minimum limit of not less than \$1,000,000 each occurrence and \$2,000,000 aggregate. These minimum limits can be met by primary and umbrella liability policies. Coverage shall include: Premises-Operations, Products/ Completed Operations, Contractual, Broad Form Property Damage, and Personal Injury. Such coverage shall be endorsed for the general aggregate to be on a **PER PROJECT** basis, and the Contractor shall provide an additional insured endorsement acceptable to the City/County/PBC. The required insurance must include coverage for all projects and operations of Contractor or similar language that meets the approval of the City/County/PBC, which approval shall not be unreasonably withheld.

1.1 Additional Insured (Requires an Endorsement Form)

All Contractors shall provide an Additional Insured Endorsement form or other proof showing the City/County/PBC as additional insured for commercial general liability, auto liability and such other coverages as may be required by the City/County/PBC. The form or other proof shall be as is acceptable to the City/County Attorney.

1.2 Automobile Liability

The Contractor shall provide proof of Automobile Liability coverage, which shall include: Owned, Hired and Non-Owned. Bodily Injury and Property Damage Combined Single Limit shall be at least \$1,000,000 Per Accident.

1.3 Garage Keepers / Garage Liability

The Contractor shall provide garage insurance, if required. Coverage shall include Garage Liability and Garage Keepers on a Direct Primary Basis, including Auto Physical Damage, with limits of not less than \$1,000,000 each accident Bodily Injury and Property Damage combined liability and Actual Cash Value auto physical damage. Coverage symbol(s) 30 and 21 shall be provided, where applicable.

1.4 Workers' Compensation; Employers' Liability

The Contractor shall provide proof of workers' compensation insurance of not less than minimum statutory requirements under the laws of the State of Nebraska and any other applicable State. Employers' Liability coverage with limits of not less than \$500,000 each accident or injury shall be included. The Contractor shall provide the City/County/PBC with an endorsement for waiver of subrogation or other proof of such waiver as may be acceptable to the City or County. The Contractor shall also be responsible for ensuring that all subcontractors have workers' compensation insurance for their employees before and during the time any work is done pursuant to this Contract.

1.5 Builder's Risk Insurance

The Contractor shall purchase and maintain builder's risk property insurance for all sites upon which construction is occurring as provided by Contract and all storage sites where equipment, materials, and supplies of any kind purchased pursuant to the Contract are being held or stored unless the Contractor receives notice that the City/County/PBC has obtained a builder's risk policy for itself. Except to the extent recoverable by Contractor from another subcontractor, deductibles shall be the responsibility of the Contractor. This coverage is required whenever the work under contract involves construction or repair of a building structure or bridge.

1.5.1 Waiver of Builder's Risk Insurance Carrier's Subrogation Rights

The Contractor and its subcontractor(s) waive all rights of action and subrogation that the insurance company providing the builder's risk policy may have against each of them and/or the City/County/PBC, Architect, and the officers, agents and employees of any of them, for all claims, damages, injuries and losses, to the extent covered by such property insurance. Such waiver of subrogation shall be effective for such persons even though such persons would otherwise have a duty of indemnification or contribution, contractual or otherwise, and even though such persons did not pay the insurance premium directly or indirectly, and whether or not such persons had an insurable interest in any property damaged. The Contractor or subcontractor shall provide proof of such waiver.

1.6 Pollution Liability

Contractors shall provide proof of pollution liability insurance arising out of all operations of the Contractors and subcontractors, due to discharge, dispersal, release, or escape of contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water with bodily injury and property damage limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate for:

- 1) Bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death;
- 2) Property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed;
- 3) Defense including loss adjustment costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages;
- 4) Definition of pollution conditions shall include asbestos, lead, and mold so that these risks are covered if caused by Contractor/successful candidate's work or operations.
- 5) Coverage is required on an occurrence form.

1.7 Errors and Omissions; Professional Liability

Errors and Omissions or Professional Liability insurance, as may be required, covering damages arising out of negligent acts, errors, or omissions committed by Contractor in the performance of this Contract, with a liability limit of not less than \$1,000,000 each claim. Contractor shall maintain this policy for a minimum of two (2) years after completion of the work or shall arrange for a two year extended discovery (tail) provision if the policy is not renewed. The intent of this policy is to provide coverage for claims arising out of the performance of professional Services under this contract and caused by any error, omission, breach or negligent act, including infringement of intellectual property (except patent and trade secret) of the Contractor. This coverage is required whenever the Contractor or service provider is required to be certified, licensed or registered by a regulatory entity and/or where the provider's judgment in planning and design could result in economic loss to City/County/PBC.

1.8 Railroad Contractual Liability Insurance

If work is to be performed within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or railroad crossing, the Contractor must provide proof acceptable to the City or County that any exception for such work in the Contractor's commercial general liability policy has been removed or deleted.

1.8.1 Railroad Protective Liability

If work is to be performed within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing or otherwise required by the Special Provisions or applicable requirements of an affected railroad, the Contractor shall provide Railroad Protective Liability Insurance naming the affected railroad/s as insured with minimum limits for bodily injury and property damage of \$2,000,000 per occurrence, \$6,000,000 aggregate, or such other limits as required in the Special Provisions or by the affected railroad. The original of the policy shall be furnished to the railroad and a certified copy of the same furnished to the City/County/PBC Purchasing Department prior to any related construction or entry upon railroad premises by the Contractor or for work related to the Contract.

1.9 Cyber Insurance

The Contractor shall maintain network risk and cyber liability coverage (including coverage for unauthorized access, failure of security, breach of privacy perils, as well as notification costs and regulatory defense) in an amount of not less than \$1,000,000. Such insurance shall be maintained in force at all times during the term of the Contract and for a period of two years thereafter for services completed during the term of the Contract.

2. Cancellation Notice

All Contractors shall include an endorsement to provide for at least thirty (30) days' firm written notice in the event of cancellation during the term of the Contract and during the period of any required continuing coverages. The Contractor shall provide, prior to expiration of the policies, certificates and endorsement forms evidencing renewal insurance coverages. The parties agree that the failure of City/County/PBC to object to the form of a certificate and/or additional insured endorsement or endorsement forms provided shall not constitute a waiver of this requirement.

3. Risk of Loss

Except to the extent covered by the builder's risk insurance, the Contractor shall have the sole responsibility for the proper storage and protection of, and assumes all risk of loss of, any subcontractor's Work and tools, materials, equipment, supplies, facilities, offices and other property at or off the Project site. The Contractor shall be solely responsible for ensuring each subcontractor shall take every reasonable precaution in the protection of all structures, streets, sidewalks, materials and work of other subcontractors. Contractor shall protect its Work from damage by the elements or by other trades working in the area.

4. Umbrella or Excess Liability

The Contractor may use an Umbrella, Excess Liability, or similar coverage to supplement the primary insurance stated above in order to meet or exceed the minimum coverage levels required by this Contract.

5. Minimum Scope of Insurance

All Liability Insurance policies shall be written on an "Occurrence" basis only. All insurance coverage are to be placed with insurers authorized to do business in the State of Nebraska and must be placed with an insurer that has an A.M. Best's Rating of no less than A:VII unless specific approval has been granted otherwise.

6. Indemnification

To the fullest extent permitted by law the Contractor shall indemnify, defend, and hold harmless the Owner, its elected officials, officers, employees, agents, consultants, and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible or intangible property, including the Work itself, but only to the extent caused by the negligent, wrongful, or intentional acts or omissions of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss

or expense is caused in part by the negligence of a party indemnified hereunder. In the event the claim, damage, loss or expense is caused in part by the negligence of a party indemnified hereunder, the indemnification by the Contractor shall be prorated based on the extent of the liability of the party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce obligations of indemnity which would otherwise exist as to a party or person described in this Section. Nothing herein shall be construed to be a waiver of sovereign immunity by the Owner.

7. Reservation of Rights

The City/County/PBC reserves the right to require a higher limit of insurance or additional coverages when the City/County/PBC determines that a higher limit or additional coverage is required to protect the City/County/PBC or the interests of the public. Such changes in limits or coverages shall be eligible for a change order or amendment to the Contract.

8. Sovereign Immunity

Nothing contained in this clause or other clauses of this Contract shall be construed to waive the Sovereign Immunity of the City/County/PBC.

9. Further Contact

For further information or questions concerning coverage or acceptable forms, Contractors may contact the Purchasing Division or the department that issued the bid or the request for proposal.

For general questions regarding Insurance Requirements, please contact Risk Management for the City or County.

Advertise 2 times
Saturday, March 17, 2018
Friday, March 23, 2018

City of Lincoln/Lancaster County
Purchasing Division
NOTICE TO BIDDERS

Sealed bids will be received by the Purchasing Agent of the City of Lincoln/Lancaster County, Nebraska BY ELECTRONIC BID PROCESS until: **12:00 pm, Friday, March 30, 2018** for providing the following:

Business Card and Letterhead Printing
Bid No. 18-082

Bidders must be registered on the City/County's E-Bid site in order to respond to the above Bid. To register go to: lincoln.ne.gov (type: e-bid - in search box, then click "Supplier Registration").

Questions concerning this bid process may be directed to City/County Purchasing at (402) 441-8103 or purchasing@lincoln.ne.gov