

Hallmark Specialty Insurance Company
 Two Lincoln Center
 5420 Lyndon B Johnson Freeway, Suite 1100
 Dallas, TX 75240-2345
 (800) 866-0047

Declarations Excess Public Entity Liability

PRODUCER CODE	OFFICE	PREVIOUS POLICY NUMBER Renewal - 77PEF2000F7
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AUDIT FREQUENCY Not Subject	AGENT Hallmark E&S	S.L. BROKER AmWins Brokerage of CA, LLC
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ITEM 1. NAMED INSURED AND ADDRESS Authority For California Cities Excess Liability Pool (ACCEL) c/o Alliant Insurance Services 100 Pine Street, 11th Floor San Francisco, CA 94111	COVERAGE IS PROVIDED IN THE COMPANY DESIGNATED BELOW Hallmark Specialty Insurance Company Two Lincoln Center 5420 Lyndon B Johnson Freeway, Suite 1100 Dallas, TX 75240-2345
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NAMED INSURED IS: Other	BUSINESS OF INSURED Pool/Joint Powers Authority	PIIC
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Policy Number: **77PEF21014A**

Item 2. Policy Period **From 7/1/2021 To 7/1/2022**
 12:01 A.M. Standard Time at the Address of the Named Insured as stated herein

Item 3. Limits of Insurance

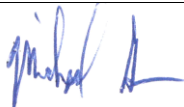
<u>\$5,000,000</u>	Each Occurrence	<u>\$5,000,000</u>	Aggregate, where applicable
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Item 4. Premium

Basis of Premium:			
<u>\$275,000</u>	Total Advance Premium	<u>\$275,000</u>	Minimum Annual Premium
<u>\$0.00</u>	Taxes	<u>\$0.00</u>	Surcharges
<u>N/A</u>	Terrorism Premium included in above	<u>25%</u>	Minimum Earned

Item 5. Schedule of Underlying
 The Schedule is described on form no. PE 00 03 01 16, which forms a part of the Policy's Declarations.

Item 6. Forms And Endorsements
 The Schedule is described on form no. PE 00 04 01 16, which forms a part of the Policy's Declarations.

DATE OF ISSUE April 07, 2022	SIGNATURE OF AUTHORIZED AGENT 
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PE 00 01 01 16

California Premium:	<u>\$275,000.00</u>
Non-Taxable Fees:	<u>\$0.00</u>
Taxable Fees:	<u>\$0.00</u>
Surplus Lines Tax:	<u>\$8,250.00</u>
Stamping Fee:	<u>\$687.50</u>

POLICY NUMBER: 77PEF21014A

SCHEDULE OF FORMS AND ENDORSEMENTS
(Other than applicable forms and endorsements shown elsewhere in the policy)

Form Name	Form Number
Excess Public Entity Liability Declarations	PE 00 01 01 16 (01-16)
Schedule of Forms and Endorsements	PE 00 04 01 16 (01-16)
Schedule of Underlying Insurance	PE 00 03 01 16 (01-16)
Exclusion – Access or Disclosure of Confidential or Personal Information and Data-Related Liability	PE 00 05 05 16 (05-16)
Claim Reporting	CLAIM REPORTING 06 20
Exclusion Of Certified Acts Of Terrorism	HB 21 33 01 15 (01-15)
Service of Suit	HX SS 05 07 09 (07-09)
Policy Change Notice	IL 12 01 11 85 (05-04)
U.S. Treasury Dept. ("OFAC")	IL P 001 01 04 (01-04)
Fungi or Bacteria Exclusion	IX 21 05 07 09 (07-09)
Excess Public Entity Liability	PE 00 02 04 17 (04-17)
Earlier Notice of Cancellation - 90 Days	PE 00 08 01 18 (01-18)
Underlying JPA Amendment	PE 00 10 09 17 (09-17)
Exclusion - Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)	PE 00 12 08 19
Exclusion - Communicable Disease	PE 00 18 03 20
Surplus Lines Notification	SLCA2020 (01-20)
Signature Page	HS 00 01 01 16 (01-16)
Privacy Policy Disclosure Notice	HX 00 01 07 12 (07-12)

SCHEDULE OF UNDERLYING INSURANCE ENDORSEMENT

Named Insured: Authority For California Cities Excess Liability Pool (ACCEL)			Endorsement Number:
Policy Symbol:	Policy Number: 77PEF21014A	Policy Period: 07/01/2021 - 07/01/2022	Endorsement Date:
Issued By (Name of Insurance Company): Hallmark Specialty Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In consideration of the premium charged:

The term **Underlying Insurance** as used in the Policy shall mean the following:

SCHEDULE OF UNDERLYING:

4th Layer Excess

Coverage: Excess Liability (Controlling Underlying Insurance)
 Carrier: Allied World National Assurance Company
 Policy Period: 07/01/2021 - 07/01/2022
 Policy Number: 0306-8014
 Limits Of Liability: \$5,500,000 Each Occurrence
 \$5,500,000 Completed Operations Hazard Annual Aggregate
 \$22,000,000 Policy Aggregate

 Excess of Underlying

3rd Layer Excess

Coverage: Authority For California Cities Excess Liability Pool MOC
 Carrier: N/A
 Policy Period: 07/01/2021 - 07/01/2022

 Limits Of Liability: Reinsured by Upland Specialty Insurance Company, Continental Indemnity Company (Applied), Everest Reinsurance Company

 Each Occurrence: \$9,500,000
 Completed Operations Aggregate: \$9,500,000
 Policy Pool Aggregate: \$38,000,000

 Excess of Underlying

2nd Layer Excess

Coverage: Excess Liability
Carrier: Gemini Insurance Company
Policy Period: 07/01/2021 - 07/01/2022
Policy Number: CEX09600358-08
Limits Of Liability: Each Occurrence: \$10,000,000
Completed Operations Aggregate: \$10,000,000
Policy Aggregate: \$40,000,000

Excess of Underlying

Lead Excess

Coverage: Special Excess Liability Policy for the Alliant National Municipal Liability (ANML) Program
Carrier: Great American Insurance Company
Policy Period: 07/01/2021 - 07/01/2022
Policy Number: 1827326-04
Limits Of Liability: \$40,000,000 Policy Aggregate
\$10,000,000 Completed Operations Hazard Annual Aggregate
\$10,000,000 Any one Occurrence, offense, or Wrongful act for Bodily Injury, Property Damage, Public Officials Errors and Omissions, Employment Practices Liability, or Personal Injury or any combination thereof in excess of your Retained Limit

Excess of \$15,000,000 retention

All other terms, conditions, and limitations of this Policy shall remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE

This insurance does not apply to “injury or damage” arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

CLAIM REPORTING

To report a claim, you may:

1. E-mail: claims@hallmarkgrp.com
2. Fax: 800-722-4052
3. Call: 800-426-5119
4. Mail to:

Hallmark Financial Services Inc.
Attention: Effective Claims Management
Two Lincoln Centre
5420 Lyndon B Johnson Freeway, Suite 1100
Dallas, Texas 75240-2345

The above email address and telephone number may also be used for claims-related questions (e.g. status of specific claim or the name of the adjuster to whom a claim has been assigned).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARLIER NOTICE OF CANCELLATION PROVIDED BY US – 90 Days

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY POLICY

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in **Item 7 b. Cancellation** of **Section III – Conditions** or as amended by an applicable state cancellation endorsement, is increased to 90 days.

All other terms and conditions of this policy remain unchanged.



COMMERCIAL EXCESS LIABILITY POLICY

In consideration of the payment of the premium, and in reliance on all statements made and information furnished by the “insured” and subject to the terms and conditions of this policy (including all current and future declaration pages and endorsements hereto), the “insured” and we agree as follows:

Throughout this policy the words “you” and “your” refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words “we”, “us” and “our” refer to the company providing this excess insurance. The word “insured” means any person or organization qualifying as such under the “controlling underlying insurance,” including the Named Insured. Other words and phrases that appear in quotation marks in this policy have the special meaning as referred to in Section IV – Definitions.

Words and phrases that are not defined by this policy but defined in the applicable “controlling underlying insurance” will have the meaning described in the applicable “controlling underlying insurance.”

This policy will apply in conformance with and will follow the same provisions, exclusions and limitations that are contained in the applicable “controlling underlying insurance,” (including all endorsements thereto), except: (1) with respect to any provision to the contrary contained in this policy; (2) if the “controlling underlying insurance” provides sub-limited coverage, this policy shall not follow form and shall not offer any coverage for such sub-limited coverage. “Sub-limited coverage” means any coverage provided in the applicable “controlling underlying insurance,” that is subject to a sub-limit of liability in such “controlling underlying insurance.”

The coverage provided by this policy will not be broader than that provided by the applicable “controlling underlying insurance.”

SECTION I – COVERAGE

1. Insuring Agreement

a. We will pay on behalf of the “insured” the “ultimate net loss” in excess of the “retained limit” because of “injury or damage” to which insurance provided under this policy applies.

We will have the right and duty to defend the “insured” against any legal proceedings seeking damages for such “injury or damage” when the applicable limits of “controlling underlying insurance” have been exhausted by payment of such limits.

When we have no duty to defend, we will have the right to defend or to participate in the defense of the “insured” against any legal proceeding against the “insured” seeking damages for “injury or damage.”

However, we will have no duty to defend the “insured” against any legal proceeding seeking damages for which insurance under this policy does not apply.



At our discretion, we may investigate any “injury or damage” that may involve this insurance and settle any resultant claim or legal proceeding against the “insured” for which we have the duty to defend; however (1) the amount we will pay for “ultimate net loss” is limited as described in Section II – Limits Of Insurance; and (2) our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this policy. However, if the policy of “controlling underlying insurance” specifies that limits are reduced by defense expenses, our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of defense expenses, judgments or settlements under this policy.

b. If the “controlling underlying insurance” requires, for a particular claim, that the “injury or damage” occur during its policy period in order for that coverage to apply, then this insurance will only apply to that “injury or damage” if it occurs during the policy period of this policy. If the “controlling underlying insurance” requires that the “event” causing the particular “injury or damage” takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the “event” causing that “injury or damage” takes place during the policy period of this policy.

c. Any additional insured under an applicable policy of “controlling underlying insurance” will automatically be an additional insured under this policy; however additional insured coverage provided by this policy will not be broader than coverage provided by the “controlling underlying insurance.” Additionally, if coverage provided to the additional insured is required by a contract, the most we will pay on behalf of the additional insured is the amount of insurance required by such contract, less any amounts payable by any “controlling underlying insurance”.

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this policy. Additionally, the exclusions applicable to any “controlling underlying insurance” apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this policy.

Insurance provided under this Coverage Part does not apply to:

a. Auto - Any loss, cost or expense payable under or resulting from any of the following auto coverages: (1) First-party physical damage coverage; (2) No-fault coverage; (3) Personal injury protection or auto medical payments coverage; or (4) Uninsured or underinsured motorists’ coverage.

b. Pollution - (1) “Injury or damage” which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time. (2) Any loss, cost or expense arising out of any: (a) Request, demand, order or statutory or regulatory requirement that any “insured” or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants; or (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants. “Pollutant” means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.



This pollution exclusion does not apply if applicable “controlling underlying insurance” for the pollution liability risks described above exists or would have existed but for the exhaustion of the applicable limits of applicable “controlling underlying insurance.”

c. Workers' Compensation and Similar Laws

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

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 legal proceedings brought, or number of vehicles involved; (c) persons or organizations making claims or filing legal proceedings; or (d) limits available under any “controlling underlying insurance”.

2. The Limits of Insurance of this policy will apply as follows: (a) this insurance only applies in excess of the “retained limit;” (b) the Aggregate Limit shown in the Declarations is the most we will pay for the sum of all “ultimate net loss”, for all “injury or damage” covered under this policy. However, this Aggregate Limit only applies to “injury or damage” that is subject to an aggregate limit of insurance under the “controlling underlying insurance”; (c) subject to Paragraph 2.b. above, the Each Occurrence Limit shown in the Declarations is the most we will pay for the sum of all “ultimate net loss” under this insurance because of all “injury or damage” arising out of any one “event”; (d) if the Limits of Insurance of the “controlling underlying insurance” are reduced by defense expenses by the terms of that policy, any payments for defense expenses we make will also reduce our applicable Limits of Insurance in the same manner; (e) if the “controlling underlying insurance” contains multiple aggregate limits, then the Aggregate Limit shown in the Declarations shall apply in the same manner as the aggregate limits in the “controlling underlying insurance.”

3. If any “controlling underlying insurance” has a policy period that is different from the policy period of this policy then, for the purposes of this insurance, the “retained limit” will only be reduced or exhausted by payments made for “injury or damage” covered under this insurance.

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

SECTION III – CONDITIONS

The conditions applicable to any “controlling underlying insurance” are applicable to the coverage provided under this policy unless superseded by the following conditions.

1. Duties in the Event of a Claim or Legal Proceeding



The “insured” shall promptly notify us in writing of: (a) any claim or legal proceeding which could reasonably involve this policy; (b) any claim or legal proceeding for which there is a demand equal to or greater than 50 percent of the applicable limits of “controlling underlying insurance”.

2. Appeals

If the “controlling underlying insurer” or “insured” elects not to appeal a judgment in excess of the amount of the “retained limit,” we may do so at our own expense. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section II – Limits of Insurance.

3. Bankruptcy

Bankruptcy or insolvency of the “controlling underlying insurer” or the “insured” will not relieve us of our obligations under this policy; however, the insurance provided under this policy will continue to apply as if the “controlling underlying insurance” were in full effect and recoverable, and this policy shall under no circumstances drop down below the “retained limit.”

4. Cooperation by the “Insured”

You and any other “insured” involved must authorize us to obtain records and other information, cooperate with us in the investigation or settlement and assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the “insured” because of “injury or damage” to which this insurance may apply. No “insured” will, except at that “insured’s” own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

5. Named Insured Duties

The Named Insured is responsible for the payment of all premiums and will act on behalf of all other “insureds” for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

At our request, the Named Insured shall furnish us, as soon as practicable, with a complete copy of any “controlling underlying insurance” and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this policy.

6. Subrogation

In the event of any payment under this policy, we shall be subrogated to all of the “insured’s” rights of recovery to the extent of our payment. The “insured” shall execute and deliver all instruments and documents as necessary and shall do everything necessary to secure our subrogation rights. The “insured” shall not do anything that might prejudice our position or potential or actual rights of recovery.

7. Cancellation

a. The Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least: (1) 10 days before the effective date of cancellation if we cancel for



non-payment of premium; or (2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

e. If this policy is cancelled, we will send the Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

8. Changes

The Named Insured is authorized by all other "insureds" to make changes in the terms of this policy with our consent. No changes or modifications of this policy shall be effective unless made by written endorsement issued by us to form a part of this policy.

9. Maintenance Of / Changes to Controlling Underlying Insurance

Any "controlling underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such "controlling underlying insurance" that results from "injury or damage" to which this insurance applies. Such exhaustion or reduction is not a failure to maintain "controlling underlying insurance". Failure to maintain "controlling underlying insurance" will not invalidate insurance provided under this policy, but insurance provided under this policy will apply as if the "controlling underlying insurance" were in full effect. The Named Insured must notify us in writing, as soon as practicable, if any "controlling underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "controlling underlying insurance" is changed.

10. Other Insurance

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

11. Premium

The premium for this policy is a flat premium and is not subject to adjustment except as otherwise provided herein or amended by endorsement.

12. Loss Payable

Liability under this policy does not apply unless and until: a. The "insured" or "insured's" "controlling underlying insurer" has paid the "retained limit"; and b. The obligation of the "insured" to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the "insured," claimant, "controlling underlying insurer" and us.



13. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the Named Insured written notice of the non-renewal not less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION IV – DEFINITIONS

The definitions applicable to any “controlling underlying insurance” also apply to this insurance. In addition, the following definitions apply:

1. “Controlling underlying insurance” means any policy of insurance or self-insurance program, or other risk transfer arrangement listed in the Declarations under the Schedule of “controlling underlying insurance”.
2. “Controlling underlying insurer” means any insurer or self-insurer who provides any policy of insurance or risk transfer arrangement listed in the Declarations under the Schedule of “controlling underlying insurance”.
3. “Event” means an occurrence, offense, accident, act, or other event, to which the applicable “controlling underlying insurance” applies.
4. “Injury or damage” means any injury or damage or loss, covered in the applicable “controlling underlying insurance” arising from an “event.”
5. “Retained limit” means the limits of “controlling underlying insurance” applicable to the “injury or damage.”
6. “Ultimate net loss” means the total sum, after reduction for recoveries, or salvages collectible, that the “insured” becomes legally obligated to pay as damages by reason of: settlements, judgments, or other binding alternate dispute resolution proceedings entered into with our consent. “Ultimate net loss” also includes defense expenses if the “controlling underlying insurance” specifies that its limits are reduced by defense expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - COMMUNICABLE DISEASE

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY POLICY

The following is added to **SECTION I – COVERAGE; 2. EXCLUSIONS:**

Insurance provided under this Coverage Part does not apply to:

Any “injury or damage,” expense, cost, loss, liability or legal obligation that in any way, in whole or in part, arises out of, relates to, or results from any alleged or actual transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

1. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
2. Testing for a communicable disease;
3. Failure to prevent the spread of the disease; or
4. Failure to report the disease to authorities.

We shall have no duty or obligation on our part under this insurance to defend, respond to, investigate, or indemnify any insured against any “injury or damage,” loss, claim, suit, or other proceeding alleging damages to which this exclusion applies. This exclusion also applies to any obligation to defend, to share damages with, repay, or indemnify anyone else from whom damages are sought.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY POLICY

The following is added to **SECTION I – COVERAGE; EXCLUSIONS**:

Insurance provided under this Coverage Part does not apply to:

Any “injury or damage,” expense, cost, loss, liability or legal obligation that in any way, in whole or in part, arises out of, relates to, or results from the actual or alleged manufacture, distribution, dispersal, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of, exposure to, ingestion of, or failure to disclose the presence of, failure to warn or advise of PFAS or products and materials containing PFAS.

It is further agreed that this insurance does not apply to any loss, cost or exposure including, but not limited to, a duty to defend, payment for investigation or defense, fines, penalties, interest and other costs or expenses, arising out of or related to any:

1. Clean up or removal of PFAS or products and materials containing PFAS;
2. Such actions as may be necessary to monitor, assess and evaluate the release of threat of PFAS or products and material containing PFAS;
3. Disposal of PFAS or products and materials containing PFAS or the taking of such other action as may be necessary to temporarily or permanently prevent, minimize or mitigate damage to the public health or welfare or to the environment, which may otherwise result;
4. Compliance with any law regulation regarding PFAS or products and materials containing PFAS;
or
5. Existence, storage, handling or transportation of PFAS or products and materials containing PFAS.

We shall have no duty or obligation on our part under this insurance to defend, respond to, investigate, or indemnify any insured against any “injury or damage,” loss, claim, suit, or other proceeding alleging damages to which this exclusion applies. This exclusion also applies to any obligation to defend, to share damages with, repay, or indemnify anyone else from whom damages are sought.

For the purposes of this endorsement, the term PFAS means a perfluoroalkyl or polyfluoroalkyl substance, or any one of its chemical compounds, either individually or in combination with one another.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

Named Insured Authority For California Cities Excess Liability Pool			Endorsement Number
Policy Symbol	Policy Number 77PEF21014A	Policy Period 7/1/2021 To 7/1/2022	Effective Date of Endorsement
Issued By (Name of Insurance Company) Hallmark Specialty 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:

COMMERCIAL UMBRELLA LIABILITY POLICY EXCESS LIABILITY POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part or underlying insurance to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or underlying insurance.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

This insurance does not apply to:

1. "Injury or damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
2. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

The following definition is added:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change Number:

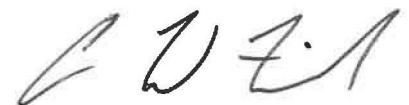
POLICY NUMBER 77PEF21014A	POLICY CHANGES EFFECTIVE 12:01 AM 7/1/2021	COMPANY Hallmark Specialty Insurance Company
NAMED INSURED Authority For California Cities Excess Liability Pool (ACCEL)		AUTHORIZED REPRESENTATIVE Hallmark E&S
COVERAGE PARTS AFFECTED		
CHANGES		

It is hereby understood and agreed that SECTION II - LIMITS OF INSURANCE is amended to include the following additional provision:

A policy aggregate limit of \$20,000,000 is the most we will pay for the sum of all "ultimate net loss" under this policy, irrespective any aggregate limit of insurance under the "controlling underlying insurance".

It is understood that to the extent any coverage may otherwise be provided under this policy and its endorsements, the provisions of this endorsement shall be applicable and shall supersede any such other provisions. For the avoidance of doubt, this endorsement shall not be interpreted to increase or expand any coverage or other limits provided under this policy.

All other terms and conditions remain the same.



Authorized Representative Signature

SERVICE OF SUIT ENDORSEMENT

Named Insured Authority For California Cities Excess Liability Pool (ACCEL)			Endorsement Number
Policy Symbol	Policy Number 77PEF21014A	Policy Period 7/1/2021 to 7/1/2022	Effective Date of Endorsement
Issued By (Name of Insurance Company) Hallmark Specialty 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:

General Counsel
Hallmark Financial Services, Inc.
5420 Lyndon B Johnson Fwy, Suite #1100
Dallas, TX 75240-2345

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.

The law of some jurisdictions of the United States of America require 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.

CALIFORNIA SURPLUS LINES NOTIFICATION

IMPORTANT NOTICE:

- 1. The insurance policy that you have purchased is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website www.insurance.ca.gov. Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at www.naic.org. The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: https://naic.org/state_web_map.htm.**

6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.

7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm.

8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.

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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNDERLYING JPA AMENDMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY POLICY

It is hereby noted and agreed that Item 1 (d) of Section II – Limits of Insurance is deleted in its entirety.

It is further noted and agreed that Item 2 (c) of Section II – Limits of Insurance is deleted and replaced by the following:

Subject to Paragraph 2.b. above, the Each Occurrence Limit shown in the Declarations is the most we will pay for the sum of all “ultimate net loss” under this insurance because of all “injury or damage” and will apply in the same manner as stated in the “controlling underlying insurance”.

All other terms and conditions remain the same.

HALLMARK SPECIALTY INSURANCE COMPANY

In Witness Whereof, the Company has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the Company.

A handwritten signature in black ink, appearing to be 'M. S.', with a large, stylized flourish at the end.

President

A handwritten signature in black ink, appearing to be 'Chris King', written in a cursive style.

Secretary

Privacy Policy Disclosure Notice

The Gramm-Leach-Bliley Act (GLBA) and various other federal and state privacy regulations generally prohibit any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a non-affiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed.

Hallmark Financial Services, Inc. ("HFS"), through its subsidiaries, provides insurance products and services and is firmly committed to its affirmative and continuing obligation to respect the privacy of its current, former and prospective policyholders and to protect the security and confidentiality of their nonpublic personal information. Therefore, proper handling of your personal information is one of our highest priorities. We collect and utilize information we believe is necessary to efficiently administer our business, to advise you about our products, and provide you with outstanding customer service. We want you to know why we collect personal information about you, what we do with that information and explain to you our commitment to protect the information collected.

In order to provide you with quality insurance products and the service you deserve, it is necessary for us to collect nonpublic personal information about you and, in certain situations, to share that information with others. The following notice describes our policies and practices with regard to your nonpublic personal information.

PROTECTION OF YOUR PERSONAL INFORMATION

Not only is the protection of nonpublic personal information a legal requirement, it is also a good business practice. We maintain appropriate physical, electronic and procedural safeguards to maintain the confidentiality and security of your nonpublic personal information. We restrict access to nonpublic personal information about you to those employees who need access to that information to provide products or services to you. When information is shared with companies performing work on Hallmark's behalf, we protect your personal information where required by law with contractual confidentiality agreements that obligate those companies to keep confidential any information about you furnished to them.

We provide training to our employees on the importance of maintaining the confidentiality and security of your nonpublic personal information. Employees who violate our privacy policies are appropriately disciplined.

CATEGORIES OF INFORMATION THAT WE COLLECT

We collect and use only that nonpublic personal information required for us to provide services and products requested by you and to administer your business with us such as underwriting and processing your policies and the administration and handling of claims.

We may collect nonpublic personal information about you from the following sources:

- Information that we receive from you on applications and other related forms such as your name, address, telephone number, and social security number;
- Information about your transactions with us, our affiliates or others such as your underwriting information, driving record, claim history, policy number, premium, payment history, and claim information;
- Information that we receive from consumer credit reporting agencies such as your credit history.

The nonpublic personal information collected may come from persons such as independent insurance agents, brokers, policyholders, or persons involved in the claim adjustment process such as claimants, witnesses to an accident, repair facilities, hospitals, doctors and attorneys.

Privacy Policy Disclosure Notice

If you visit our website, www.hallmarkgrp.com, we automatically track and collect information regarding your visit including your IP address; domain server, type of computer, type of web browser and the pages you viewed on our site. This information (Traffic Data) is information that unless you have specifically entered identifying information somewhere in the site, does not personally identify you, but rather is helpful for marketing purposes or for improving your experience on the Site. We currently do not collect nonpublic personal information through your use of our corporate website. You may view the website privacy statement by clicking the "Conditions of Use" sections of the site.

CATEGORIES OF INFORMATION THAT WE DISCLOSE AND PARTIES TO WHOM WE MAY DISCLOSE INFORMATION

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as required or permitted by law. Hallmark does not sell or distribute for sale any nonpublic personal information. Nor do we disclose your personal information to any person, company or organization not affiliated with us for their own marketing purposes.

However, we may disclose nonpublic personal information about our policyholders (current, former and prospective) with affiliated and non-affiliated third parties as necessary to service an insurance policy or claim or as permitted or required by law. We may disclose nonpublic personal information we collect about you to third parties with whom we contract to perform business functions such as record keeping, policy administration, claim administration, billing, computer related services, distribution of materials, and joint marketing of our products and services.

We understand the importance and seriousness of protecting the confidentiality and security of your nonpublic personal information. We respect and appreciate the trust that you, as a valued policyholder, have placed with us and we continuously strive to earn and maintain that trust.

ACCESS TO AND CORRECTION OF YOUR INFORMATION:

You have a right to know the nature and substance of the recorded personal information contained in our files about you. You may review and/or for a reasonable fee, receive a copy of the information upon written request at the address shown below. You must properly identify yourself and reasonably describe the information you seek. Your request should contain your name, address, all policy and claim numbers issued to you by us and a copy of your drivers license or other personal identification. Upon receipt of your request, we will furnish to you within thirty (30) business days the nature and substance of locatable, retrievable and available recorded personal information. We will also furnish you with a list of all persons or organizations to whom the information has been disclosed within the past two years. If the source of information about you was a consumer credit reporting agency or other institution, we will identify those sources so you can contact them if you so desire. You may also request that we correct, amend or delete any recorded personal information. If we do not make the requested change(s), you have the right to provide, for insertion in our file, a concise written statement setting forth what you think is the correct, relevant or fair information and a concise statement of the reasons why you disagree with our decision not to correct, amend or delete recorded personal information. Your statement will become a part of our file and included with any future disclosures.

Privacy Policy Disclosure Notice

CHANGES TO OUR NOTICE OF PRIVACY POLICY AND INSURANCE INFORMATION PRACTICES:

We reserve the right to change our privacy policies and insurance information practices. If we make any material changes to our policies or practices, we will provide you with a copy of a revised notice.

OPT OUT STATEMENT:

If you prefer we do not disclose personal identifying information or personal financial information about you to nonaffiliated third parties, you may opt out of those disclosures (other than disclosures allowed by law). You may do so by sending us a letter informing us of your election to opt out at the address shown below.

If you have any questions regarding the content of this notice, you may call us at (817)348-1600 or you may write to us at:

Hallmark Financial Services, Inc.

Attention: Compliance

5420 Lyndon B Johnson Fwy Suite 1100

Dallas, Texas 75240-2345

This notice is being provided on behalf of the following companies:

Hallmark Financial Services, Inc.

Hallmark E&S Insurance Services, LLC

Hallmark Specialty Insurance Company

Heath XS, LLC

Heath XS, LLC d/b/a Hallmark E&S Insurance Services, LLC

Hallmark Insurance Company

American Hallmark Insurance Company of Texas

Hallmark American Insurance Company

Hallmark National Insurance Company