

**IN WITNESS WHEREOF, the StarStone Specialty Insurance Company has caused this policy to be signed by its President and Secretary at Cincinnati, Ohio, and countersigned on the declarations page by a duly Authorized Agent of the Company.**



**Secretary**



**President**

California Premium:	<u>\$1,143,000.00</u>
Non-Taxable	<u>\$57,150.00</u>
Taxable Fees:	<u>                    </u>
Surplus Lines	<u>\$34,290.00</u>
Stamping Fee:	<u>\$2,057.40</u>

**Company:** Starstone Specialty Insurance Company

**Policy No:** APEICS1827326-08

**Insured:** Authority for California Cities Excess Liability

**End Effective Date:** 7/1/2023

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SERVICE OF SUIT CLAUSE**

We appoint the highest state official in charge of insurance affairs (Commissioner of Insurance, Director of Insurance, Insurance Commissioner, Executive Secretary, Superintendent of Insurance, or such other official title as designated by the state) of the insured's domiciliary state and his/her successor or successors in office as his/her and their duly authorized deputies, as our true and lawful attorney in and for the aforesaid state, upon whom all lawful process may be served in any action, suit or proceeding instituted in the insured's domiciliary state by or on behalf of any insured or beneficiary against us arising out of this insurance policy, provided a copy of any process, suit, complaint or summons is sent by certified or registered mail to:

Robert Kuzloski  
Legal Department  
StarStone US Companies  
412 Mt. Kemble Avenue, Suite G-60,  
Morristown, New Jersey 07960  
Tel: (917) 704-6008  
Email: Robert.Kuzloski @corespecialty.com

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

## **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](http://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](http://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](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](http://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.**

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

**Insured:** \_\_\_\_\_

**STARSTONE SPECIALTY INSURANCE COMPANY**

**SPECIAL EXCESS LIABILITY POLICY DECLARATIONS FOR PARTICIPANTS OF THE  
 ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)**

POLICY NUMBER: APEICS1827326-08

RENEWAL OF: N/A

**ITEM 1.  
 PARTICIPATING  
 NAMED  
 INSURED**

Authority for California  
 Cities Excess Liability  
 (ACCEL)

560 Mission Street,  
 6th Floor  
 San Francisco, CA 94105

Address  
 (Street, City,  
 State)

**Insurance is afforded by the  
 Company named below:**

Starstone Specialty Insurance  
 Company

201 E. Fifth Street, Suite 1200  
 Cincinnati, OH 45202

In return for the payment of the premium, we agree to provide the insurance as stated in this Policy.

**ITEM 2. POLICY  
 PERIOD**

FROM: July 1, 2023 TO: July 1, 2024  
 AT 12:01 AM STANDARD LOCAL TIME AT THE ADDRESS OF THE  
 "PARTICIPATING NAMED INSURED" SHOWN ABOVE.

**ITEM 3. LIMITS OF INSURANCE**

The Limits of Insurance, subject to all the terms and conditions of the Policy, are:

**A. 100% Limits of Insurance**

1. Policy Aggregate

\$40,000,000

Limits of Liability

Annual Policy Aggregate

2. Aggregate Limits

\$10,000,000

Limits of Liability

**Completed Operations Hazard Aggregate**

3. Per **Occurrence**, Offense, or **Wrongful Act**

\$10,000,000

Any one **Occurrence, Wrongful act** or offense for  
**Bodily Injury, Property Damage, Public Officials  
 Errors and Omissions, Employment Practices  
 Liability, or Personal Injury** or any combination  
 thereof

18% Limits of Insurance

1. Policy Aggregate

\$7,200,000

2. Aggregate Limits

\$1,800,000

3. Per **Occurrence**, Offense, or **Wrongful Act**

\$1,800,000

Limits of Liability

Annual Policy Aggregate

Limits of Liability

**Completed Operations Hazard Aggregate**

Any one **Occurrence, Wrongful act** or offense for **Bodily Injury, Property Damage, Public Officials Errors and Omissions, Employment Practices Liability, or Personal Injury** or any combination thereof

B. Retained Limit

\$15,000,000

Any one **Occurrence, Wrongful act** or offense for **Bodily Injury, Property Damage, Public Officials Errors and Omissions, Employment Practices Liability, or Personal Injury** or any combination thereof

C. Quote Share Details

Company: Starstone Specialty Insurance Company

Company Quota Share: 18% of Premium and Limits

Lead Policy Number: 1827326-08

Lead Carrier: Great American E&S Insurance Company

Lead Carrier Quota Share: 82% of Premium and Limits

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**ITEM 4. ENDORSEMENTS APPLICABLE TO THIS POLICY ON THE ORIGINAL DATE OF ISSUE:**

<u>TITLE</u>	<u>NUMBER</u>
In Witness	SSS-SIG-CW 08 23
Service of Suit Endorsement	SSC-SERVSUIT-CW 08 23
CA Surplus Lines Notice	SSS-SLN-CA 04 21
Special Excess Liability Policy Declarations	SSS-EXS-AMW-QS-DEC-CW 07 23
Special Excess Liability Policy for ANML	SSS-EXS-AMW-AMNL-POL-CW 08 23
Blanket Additional Insured Endorsement	SSS-EXS-AMW-AMNL-END-003-CW 09 23
Amended Employment Practices Liability Condition	SSS-EXS-AMW-AMNL-END-004-CW 09 23
Defense Cost Endorsement - EPL Claims	SSS-EXS-AMW-AMNL-END-005-CW 09 23
Dam Extension	SSS-EXS-AMW-AMNL-END-012-CW 09 23
Transit Coverage	SSS-EXS-AMW-AMNL-END-013-CW 09 23
Exclusion of Certified Acts of Terrorism	SSC-TRIA-0205-CW 08 23
Defense Cost Endorsement	SSS-EXS-AMW-AMNL-END-017-CW 09 23
Schedule of Named Insured and Retained Limits	SSS-EXS-AMW-AMNL-END-018-CW 09 23
War Exclusion	SSS-EXS-AMW-AMNL-END-006-CW 09 23

Blanket Waiver of Subrogation  
 Personal Info & Data Related Liability Exclusion  
 Organic Pathogens Exclusion  
 PFAS Exclusion  
 Silica Exclusion  
 Trade or Economic Sanctions  
 Reinsurance Declaration Statement  
 Claims Cooperation Endorsement  
 OFAC Advisory Notice to Policyholders  
 Privacy Notice

SSS-EXS-AMW-AMNL-END-007-CW 09 23  
 SSS-EXS-AMW-AMNL-END-008-CW 09 23  
 SSS-EXS-AMW-AMNL-END-009-CW 09 23  
 SSS-EXS-AMW-AMNL-END-010-CW 09 23  
 SSS-EXS-AMW-AMNL-END-011-CW 09 23  
 SSC-SANCTIONS-END-CW 08 23  
 SSS-EXS-AMW-AMNL-END-001-CW 08 23  
 SSS-EXS-AMW-AMNL-END-002-CW 08 23  
 SSC-OFAC-CW 08 23  
 SSICPRI - SSIC

**ITEM 5. PREMIUM, MINIMUM PREMIUM, MINIMUM EARNED PREMIUM**

<u>100% POLICY PREMIUM</u>	<u>100% MINIMUM PREMIUM</u>	<u>MINIMUM EARNED PREMIUM</u>
\$6,350,000	\$6,350,000	\$1,587,500
 <u>18% POLICY PREMIUM</u>	 <u>18% MINIMUM PREMIUM</u>	 <u>MINIMUM EARNED PREMIUM</u>
\$1,143,000	\$1,143,000	\$285,750

Terrorism: Excluded

In the event that any additional premium or return premiums arise from any amendments to the policy or changes in the risk, such premium shall be payable when effective unless specifically agreed otherwise by the parties.

**ITEM 6. A. NOTICE OF CLAIM OR SUIT REPORTING LOCATION:**

**B. RETAINED LIMIT CLAIM SERVICING ORGANIZATION:**

**Name:** Starstone Specialty Insurance Co.,  
 c/o Amwins Specialty Casualty Solutions

**Address:** 10 S. LaSalle Street  
 Chicago, IL 60603

**Phone:** 312-445-6045

**Email:** Carole.Lofness@Amwins.com

**Name:** George Hills

**Address:** P.O. Box 278  
 Rancho Cordova, CA 95741


**Phone:** 855-442-2357

The Company's obligations under this contract are several and not joint and are limited solely to the extent of our share. The liability of the Company shall in no way be increased or expanded for any reason, including but not limited to another Insurer's bankruptcy, receivership, insolvency, or inability to pay. Bankruptcy or insolvency of the Insured or the Insured's estate will not relieve the Company of any obligations under this Coverage Form.

This Policy Declarations and any endorsements or attached Schedule (if applicable), in conjunction with the Policy form issued for the Alliant National Municipal Liability Program (ANML) complete the above numbered policy.

This Policy is not valid unless countersigned by a duly authorized agent of the Company.

Date of Issue: 9/25/2023

Countersigned By:  \_\_\_\_\_

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## SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

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

Throughout this policy, the word **you** refers to the **Named Insured** shown in the Declarations. The word **Company** refers to the insurer specified in the Declarations.

The word **insured** means any person or organization qualifying as such under **SECTION V—WHO IS AN INSURED COVERED PERSONS OR ENTITIES**. Other words and phrases that appear in **bold face type** have special meaning. Refer to **SECTION VII—DEFINITIONS**.

In consideration of the payment of the premium, if paid, in reliance upon all statements and representations made in the application, including information furnished in connection therewith and the information shown in the Declarations made a part hereof and subject to all of the terms of this policy, the **Company** agrees with the **Named Insured** as follows:

### SECTION I - COVERAGE AGREEMENT

The **Company** will pay on behalf of the **insured** for **ultimate net loss** to which this policy applies in excess of the **retained limit** because of:

- Coverage A. **BODILY INJURY and PROPERTY DAMAGE**  
to which this policy applies, caused by an **occurrence**;
- Coverage B. **PERSONAL INJURY**  
to which this policy applies, caused by an offense;
- Coverage C. **PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY**  
to which this policy applies, caused by a **wrongful act**; or,
- Coverage D. **EMPLOYMENT PRACTICES LIABILITY**  
to which this policy applies, caused by a **wrongful act**.

### SECTION II - DEFENSE AND SETTLEMENT COSTS

After the amount of the **retained limit** has been exhausted by payment of judgments, settlements or **defense costs** or any combination thereof, the **Company** will reimburse the **insured** for **excess defense costs**. The **Company's** liability for **excess defense costs** is subject to, and not in addition to, the **Company's** limit of liability.

The **Company** shall have the right, but not the duty, to associate itself, at its own cost, with the **insured** in the control, investigation, defense or appeal of any claim or **suit** which, in the opinion of the **Company**, is or may be covered by the policy. The **insured** shall fully cooperate in all matters pertaining to such claim or **suit**.

No claim or **suit** shall be settled for an amount in excess of the **retained limit** without the prior written consent of the **Company**, but such consent shall not be unreasonably withheld.

### SECTION III - RETAINED LIMIT—THE COMPANY'S LIMIT OF LIABILITY

Regardless of the number of (1) **insureds** under this policy, (2) persons or organizations who sustain injury or **damage**, (3) claims made, or (4) **suits** brought on account of **bodily injury, property damage, personal injury, public officials errors and omissions liability, or employment practices liability**, the **Company's** liability is limited as follows:

- A. With respect to **bodily injury, property damage, personal injury, public officials errors and omissions liability, and employment practices liability**, or any combination thereof, the **Company's** liability shall be only for the **ultimate net loss** in excess of the **retained limit** as specified in the Declarations as the result of any one **occurrence**, offense, or **wrongful act**, and then for an amount not exceeding the **Company's** limit of liability specified in the Declarations as the result of any one **occurrence**, offense, or **wrongful act**.
- B. The Policy Aggregate Limit of Liability, if listed in the Declarations, is the most the **Company** will pay for **ultimate net loss** in excess of the **retained amount** under Coverage A, Coverage B, Coverage C, and/or Coverage D during the policy period regardless of the number of **occurrences**, offenses or **wrongful acts**.
- C. For the purpose of determining the limit of the **Company's** liability, as respects Coverages A and B, all **damages** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence** under Coverage A or one offense under Coverage B for the purpose of determining the limit of the **Company's** liability. As respects Coverages C and D, all **damages** arising out of a single act, error or omission or a series of related acts, errors or omissions shall be treated as arising from a single **wrongful act**. There is no limit on the number of **occurrences**, offenses, or **wrongful acts** during the policy period for which claims may be made.
- D. **Bodily injury, property damage, personal injury, public officials errors and omissions liability or employment practices liability** taking place over more than one policy period shall be deemed to have taken place during the first policy period and only that limit of insurance and **retained limit** shall apply.
- E. In the event that a **joint powers authority** is a **Named Insured** under this policy, a separate **retained limit** and a separate limit shall apply to each member of the **joint powers authority** that is a **municipality**.
- F. The Limits of Insurance of this policy apply separately to each consecutive annual period, and to any remaining period of less than twelve (12) months, starting with the beginning of the policy period shown on the Declarations unless the policy period is extended after issuance for an additional period of less than twelve (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.
- G. The Completed Operations Hazard Aggregate Limit of Liability shown in the Declarations is the most that the **Company** will pay under Coverage A because of **bodily injury or property damage** included in the **completed operations hazard**.

### SECTION IV - POLICY PERIOD, TERRITORY

This policy applies to **bodily injury, property damage, personal injury, public officials errors and omissions liability, or employment practices liability** which occur anywhere in the world during the policy period, provided claim is made and **suit** is brought against the **insured** in the United States of America (including its territories or possessions) or Canada.

### SECTION V – WHO IS AN INSURED, COVERED PERSONS OR ENTITIES

The following are **insureds** under this policy:

- A. The **Named Insured**;
- B. Those individuals, including volunteers, who were or are now elected or appointed officials of the **Named Insured**, whether or not compensated, including members of the **Named Insured's** governing body or any other committees, boards, commissions or special districts of the **Named Insured**, while acting in course and scope of employment for or on behalf of the **Named Insured**;

- C. All special districts **governed directly** by the **Named Insured's** governing board and other districts or agencies but only if such special district or other district or agency is listed on the declarations page of the policy;
- D. Past or present employees or volunteers of the **Named Insured** or another entity that is an **insured**, whether or not compensated, while acting under the direct supervision or control for or on behalf of the **Named Insured** or any other entity that is an **insured**;
- E. Independent contractors and/or persons working on retainer while acting under the direct supervision or control for or on behalf of the **Named Insured** or other covered entity;
- F. Any legally authorized **joint powers authority** representing any **Named Insured**. The following are also **insureds**, with respects to such **joint powers authority**:
  - (a) The interest of municipal agencies participating as member agencies in the **joint powers authority** and any and all districts, authorities, committees, trustees, boards, commissions, or similar entity subject to the direction or control of such agencies or for which the board members act as governing body. A member agency includes any department or constituent agency of the member agency; and
  - (b) Any individual who was previously or is presently elected or appointed as an official of a member agency in the **joint powers authority**, but only with respect to their duties as an official of the member agency, including acting on boards at the direction of the agency; or
  - (c) Any volunteer of the member agency only while performing duties related to the conduct of the member agencies or any employee of the member agencies within the scope of his or her employment or while performing duties related to the conduct of the member agencies.
- G. Any person designated in Paragraphs A through F:
  - (a) While acting within the scope of his/her duties with respect to the use of an **auto** not owned by the **Named Insured**, while being used in the business of the **Named Insured**, and then only excess over any other insurance specifically insuring such **auto**.
  - (b) While using any owned **auto** or **hired auto** and any person legally responsible for the use of the **auto** with the permission of the **Named Insured**. With respect to **hired auto**, this insurance will be excess over any other insurance specifically insuring such **hired auto**.

The coverage extended by this paragraph G. shall not apply to:

1. Any person operating an **auto** while working in a business that sells, services, repairs, delivers, test, parks, or stores **autos** unless they are employees of the **Named Insured** acting for it or on its behalf; or
2. The owner or lessor of any **hired auto**, other than the **insured**, or any agent or employee of such owner or lessor. This exception does not apply if the owner or lessor is an **insured** designated in paragraphs A. through F., above.

## SECTION VI - EXCLUSIONS

As respects **ultimate net loss**, this policy does not apply, in whole or in part to:

### A. AIRCRAFT

To **bodily injury** and **property damage** arising out of the ownership, maintenance, loading or unloading, use or operation of any:

1. Aircraft;

2. Airfields;
3. Runways;
4. Hangars; or
5. Buildings or other properties in connection with aviation activities.

This exclusion shall not apply, however, (1) to liability arising out of the ownership, operation, rental, or loan of vehicles licensed for highway use while being operated away from the premises of any airfield owned or operated by the **insured**; or (2) to those areas open to the public for the purpose of entering, leaving, or using the airport facilities (including parking lots and garages).

#### **B. ASBESTOS**

To any liability for past, present, or future claims or **suits** arising in whole or in part, either directly or indirectly, out of the mining, manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of, or exposure to, asbestos or products containing asbestos, whether the asbestos is or was at any time airborne as a fiber or particle, contained in a product, carried on clothing, inhaled, transmitted in any fashion, or found in any form whatsoever.

#### **C. BIDS**

To liability of any **insured** arising out of estimates of probable costs or cost estimates being exceeded or for faulty preparation of bid specifications or plans or failure or refusal to award contracts in accordance with statute or ordinance which under law must be submitted for bids.

#### **D. EMPLOYERS LIABILITY AND FELLOW EMPLOYEE**

To **bodily injury** to any employee of any **insured** arising out of and in the course of his or her employment by such **insured**; or

- (1) while performing duties related to the conduct of the insured's business; or
- (2) the spouse, child, parent, brother, or sister of that employee as a consequence of (1); or
- (3) to any fellow employee of any **insured** arising out of the fellow employee's employment.

However, this exclusion does not apply to **employment practices liability** or liability assumed by the **insured** under any written contract.

#### **E. CONTRACTUAL LIABILITY**

As respects liability assumed by the **insured** under any contract:

1. To any claim or **suit** for breach of contract;
2. To liability assumed by an **insured** in a contract that is entered into subsequent to the commencement of **bodily injury, property damage, offense, or wrongful act**.
3. To any claim, judgment or agreement from any arbitration proceeding wherein the **Company** is not entitled to exercise with the **insured**, the **insured's** rights in the choice of arbitrators, and in the conduct of such proceedings;
4. To any obligation for the rendering or failure to render professional services for the **insured**, if the indemnitee of the **insured** is an architect, engineer or surveyor, arising out of:

- (a) The preparation or approval of contracts, maps, plans, drawings, opinions, reports, tests, surveys, change orders, designs or specifications; or
- (b) The giving or the failure to give directions or instructions by the indemnitee, the indemnitee's agents or employees, provided such giving or failure to give directions or instructions is the primary cause of **bodily injury** or **property damage**.

However, this exclusion does not apply to liability for **damages**:

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

#### F. UNDER COVERAGE A

To **personal injury, public officials error and omissions liability**, and **employment practices liability**. Nothing contained in this exclusion shall limit the **insured's** coverage, if applicable, under Coverages B, C, or D of this policy.

#### G. UNDER COVERAGE B

To **bodily injury, property damage, public officials error and omissions liability**, and **employment practices liability**.

Nothing contained in this exclusion shall limit the **insured's** coverage, if applicable, under Coverages A, C, or D of this policy.

#### H. UNDER COVERAGE C

- 1. To **Bodily injury, property damage, personal injury**, or **employment practices liability**; or
- 2. Injury to, destruction or disappearance of any tangible property (including money) or the loss of use thereof.

Nothing contained in this exclusion shall limit the **insured's** coverage, if applicable, under Coverages A, B, and D of this policy.

#### I. UNDER COVERAGE D

To **property damage, personal injury** and **public officials errors and omissions** as defined in the policy. Nothing contained in this exclusion shall limit the **insured's** coverage, if applicable, under Coverages A, B, or C of this policy.

#### J. DAMS

To liability arising out of the rupture, bursting, overtopping, accidental discharge or partial or complete failure of any **dam(s)** owned by, leased or rented to, or otherwise in the control of the **insured**.

## K. UNDER COVERAGE C

### EMINENT DOMAIN AND INVERSE CONDEMNATION

To liability, directly or indirectly, arising out of or in connection with the principles of eminent domain, condemnation proceedings or inverse condemnation, by whatever name called, whether grounded in federal or state law, regardless of whether such claims are made directly against the **insured** or by virtue of any agreement entered into by or on behalf of the **insured**.

Nothing contained in this exclusion shall limit the insured's coverage, if applicable, under Coverage A. Bodily Injury and Property Damage.

## L. UNDER COVERAGES C & D

### ERISA

1. To liability imposed upon an **insured** (or which is imputed to an **insured**) under the Employment Retirement Income Security Act of 1974, Fair Labor Standards Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, or any rules or regulations promulgated under these acts or any similar provisions of any similar federal state or local law or regulation including but not limited to benefits payable under any **employee benefit program** (whether the plan is voluntarily established by the **insured** or mandated by statute);
2. The **insured's** activities in any fiduciary capacity listed above.

## M. EXCLUDED ENTITIES AND OPERATIONS

To liability arising out of or in connection with the operation of any hospitals, clinics, or established health care facilities owned or operated by the **insured** including, but not limited to the following:

The rendering of or failure to render the following medical professional services:

1. Medical, surgical, dental, x-ray, or nursing, service or treatment, to any person, including the furnishing of food or beverages in connection therewith;
2. Service or treatment related to physical or mental health or of a professional nature;
3. Furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances if the injury occurs after the **insured** has relinquished possession thereof to others;
4. Any cosmetic or tonsorial service or treatment.

This exclusion shall not apply, however, to any liability arising out of:

1. **Ambulance operations;**
2. Occupational physical examinations and services of nurses, paramedics, emergency medical technicians, speech therapists, speech pathologists, nutritionists, psychologists, audiologists, or physical therapists, if those operations, examinations or services are provided by the **insured's** employees within the scope of their employment by the **insured** and are not provided in any hospital or established health care facility;
3. **Employment practices liability;**
4. First aid to any person;
5. Any nursing services clinic that does not perform invasive surgery of any kind; or

6. Operations performed by coroners.

#### **N. FAILURE TO SUPPLY**

To **bodily injury** or **property damage** arising out of the failure to supply or provide an adequate supply of gas, steam, water or electricity. This exclusion does not apply if:

Such failure arises out of an **occurrence**; and

The combined capacity of the **insured's** installed production facilities and contractual supply arrangements is equal to or greater than one hundred and ten percent (110%) of the electricity, steam and/or gas demand or one hundred percent (100%) of the water demand, whichever demand is applicable to the **insured's** electric, gas, steam, or water system.

#### **O. NON-COMPENSATORY AMOUNTS AND/OR DAMAGES, including but not limited to:**

Fines, taxes imposed by law, penalties, sanctions, punitive or exemplary **damages**, the multiplied portion of any award, injunctive relief or costs to comply with injunctive relief, restitution, equitable relief or declaratory relief, writs of mandate or any other form of relief other than the payment of **damages**.

#### **P. NUCLEAR**

1. To any liability arising out of the hazardous properties of **nuclear material**; or
2. To any liability for any **ultimate net loss**, cost or expense arising out of nuclear reaction, nuclear radiation or radioactive contamination or to any related act or condition.

#### **Q. POLLUTION**

1. To **ultimate net loss** arising out of the actual or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** anywhere in the world;
2. To **ultimate net loss** arising out of any governmental direction or request that the **Company**, the **insured** or any other person or organization test for, monitor, clean-up, remove, contain, treat, detoxify, neutralize or assess the effects of **pollutants**; or
3. To **ultimate net loss**, including but not limited to costs of investigation or attorneys' fees, incurred by a governmental unit or any other person or organization to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize **pollutants**.

As used in this exclusion, **pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste material. Waste material includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

However, this exclusion does not apply to liability arising out of:

- a. Water, whether recycled, reconditioned or reclaimed;
- b. Any discharge, dispersal, seepage, migration, release or escape directly or indirectly caused by fire, explosion, lightning, windstorm, vandalism or malicious mischief, flood, collision, or upset of a motor vehicle, railroad vehicle, mobile equipment, automatic sprinkler leakage or aircraft;
- c. Police use of mace, oleoresin capsicum (o.c.), pepper gas or tear gas;
- d. Weed abatement or spraying as long as the operations meet all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government which apply to those operations.

- e. The completed operations hazard; or
- f. Any discharge, dispersal, seepage, migration, release or escape of pollutants that meets all of the following conditions:
  - 1) It was sudden, accidental and neither expected nor intended by the **insured**. This condition would not serve to deny coverage for a specific incident where such discharge, dispersal, seepage, migration, release or escape of **pollutants** was a result of an attempt by the **insured** to mitigate or avoid a situation where substantial third-party **bodily injury, property damage or personal injury** could occur;
  - 2) It is neither directly nor indirectly causally related to a previous discharge, release or escape of **pollutant** that occurred at the same location within the past 12 months immediately preceding the beginning of the commencement.
  - 3) It commenced abruptly on a clearly identified, specific date during the term of this policy; It began and ended in its entirety within a period of time that did not exceed seventy-two consecutive hours;
  - 4) Its commencement became known to the **insured** within seven calendar days and was further reported to the person responsible for risk management at the **Named Insured** within a reasonable time frame;
  - 5) Its commencement was reported in writing to the **Company** within forty calendar days of becoming known to the person responsible for risk management at the **Named Insured**; and
  - 6) Reasonable effort was expended by the **insured** to terminate the situation as soon as conditions permitted;

However, nothing contained in this provision 3, shall operate to provide any coverage with respect to:

- a. Any site or location principally used by the **insured** or by others on the **insured's** behalf, for the handling, storage, disposal, dumping, processing or treatment of waste material;
- b. Any fines or penalties;
- c. Any cleanup costs ordered by the Superfund Program, or any federal, state or local governmental authority. However, this specific exclusion c) shall not serve to deny coverage for third party clean up costs otherwise covered by this policy simply because of the involvement of a governmental authority;
- d. Acid rain;
- e. Clean up, removal, containment, treatment, detoxification or neutralization of **pollutants** situated on premises the **insured** owns, rents or occupies at the time of the actual discharge, dispersal, seepage, migration, release or escape of said pollutants; or
- f. Water pollution caused by oil or its derivatives.

## R. PRIOR KNOWLEDGE

To liability if the **Named Insured's** risk manager or its Claims Servicing Organization:

1. knew that the **bodily injury or property damage** had occurred or the offense or **wrongful act** had been committed, in whole or in part, prior to the policy period; and
2. first reported all, or any part, of the **occurrence**, offense, or **wrongful act** to the **Company** under another policy or to any other insurer under a previous policy.

If the **Named Insured's** risk manager or its Claims Servicing Organization knew, prior to the policy period, that the **bodily injury** or **property damage** had occurred, or the offense or **wrongful act** had been committed, then any continuation, change or resumption of such **bodily injury**, **property damage**, offense, or **wrongful act** during or after the policy period will be deemed to have been known prior to the policy period

#### **S. PROFIT, REMUNERATION OR ADVANTAGE**

To liability of an **insured** arising, in whole or in part, out of any **insured** obtaining remuneration or financial gain to which the **insured** was not legally entitled except that any act for which an **insured** is responsible shall not be imputed to any other **insured** for purposes of this exclusion.

#### **T. SUBSIDENCE**

To **property damage** arising out of **subsidence** for any reason whatsoever.

#### **U. TRANSIT**

To liability for **bodily injury** or **property damage** arising out of any transit authority, transit system or public transportation system owned or operated by any **insured**. This exclusion shall not apply to transit or public transportation systems operating over non-fixed routes such as dial-a-ride, senior citizen transportation, or handicapped persons transportation, or to contingent liability where such services are contracted.

#### **V. TAXES, FEES, AND SECURITIES**

To any claim arising out of:

- a. Debt financing, including but not limited to bonds, notes, debentures and guarantees of debt; or the offering for sale of any equity instruments or securities;
- b. Taxes, including the formulation of tax rates, tax assessments, the collection of taxes, the disbursement of tax refunds or application of any taxes, failure to anticipate tax revenue shortfalls, or any guarantee(s) on bond issues; or
- c. Investment activities by or under the direction of any **insured**, including the **insured's** involvement in or vicarious liability for any ownership, management, investment, investment policy, oversight responsibility, or investment advice of any public or private investment fund, trust or pool, including the use of or failure to use derivative investment components.

#### **W. UNINSURED/UNDERINSURED MOTORISTS**

Any claim by or against an **insured** for uninsured/underinsured motorist, no fault, or **personal injury** protection coverage.

#### **X. WILLFUL VIOLATION**

To liability arising out of the willful violation of a penal statute, code, or ordinance committed by or with the knowledge or consent of any **insured** except that any act for which an **insured** is responsible shall not be imputed to any other **insured** for purposes of this exclusion.

#### **AA. WORKERS' COMPENSATION**

To any obligation for which any **insured** or any carrier as its insurer may be held liable under any workers' compensation, unemployment compensation or disability benefits law, or under any similar law.

## BB. LEAD

- (1) To liability for **bodily injury** or **property damage** arising out of, resulting from, or in any way caused by or related to any actual, alleged or threatened ingestion, inhalation, absorption, or exposure to lead, in any form from any source; or
- (2) any loss, cost, expense, liability or other type of obligation arising out of or resulting from, or in any way related to, any:
  - a. claim, **suit**, request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of lead in any form from any source; or
  - b. claim or **suit** by or on behalf of any person, entity, or governmental authority for damages or any other relief or remedy because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to or assessing the effects of lead in any form.

## CC. LIQUOR LIABILITY

**Bodily injury** or **property damage** for which any **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.
  1. This exclusion applies even if the claims against any **insured** allege negligence or other wrongdoing in:
    - (a) The supervision, hiring, employment, training or monitoring of others by any insured; or
    - (b) Providing or failing to provide transportation with respect to any person who may be under the influence of alcohol; if the **occurrence** which caused the **bodily injury** or **property damage**, involved that which is described in Paragraph (1), (2) or (3) above.
  2. This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.
  3. This exclusion does not apply to "bodily injury" or "property damage" arising out of the selling, serving, or furnishing of alcoholic beverages at any specific function or activity for which you:
    - (a) Are not required by state or local law/regulation to secure or maintain an alcoholic beverage permit or license; or
    - (b) Are required by state or local law/regulation to secure or maintain only a temporary (valid for 10 days or less) alcoholic beverage permit or license.

Provision 3. above applies to events held 10 consecutive days or less with no limitation on the number of events held per year.

## DD. UNDER COVERAGE C & D

Any **claim** arising out of lockout, strike, picket line, related worker replacements or other similar actions resulting from labor disputes or labor negotiations.

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## EE. UNDER COVERAGE C & D

Any **claim** arising out of violation by any **insured** pursuant to a collective bargaining agreement.

## FF. CRIMINAL ACTS

Any **claim** arising out of any act or omission that is criminal, fraudulent, malicious, or deliberately dishonest including any act which is the basis of malicious prosecution or abuse of process **claim** against the **insured**.

## GG. UNDER COVERAGE C

### RIOT, CIVIL COMMOTION, OR MOB ACTIONS

Any **claim** arising out of:

(1) **Riot, civil commotion or mob action**; or

(2) Any act or omission in connection with the prevention or suppression of a **riot, civil commotion or mob action**.

Nothing contained in this exclusion shall limit the insured's coverage, if applicable, under Coverages A. Bodily Injury and Property Damage.

## HH. RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW

**Bodily injury or property damage** arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

## II. KNOWINGLY FALSE MATERIAL

Any **claim** arising out of oral or written publication of material, if such material was published by or at the direction of the **insured** with knowledge of the material's falsity.

## JJ. UNDER COVERAGE C & D

### FAILURE TO MAINTAIN INSURANCE

Any **claim** for the failure or omission by the **insured** to purchase or maintain insurance of any kind.

## KK. UNDER COVERAGE A

### DAMAGE TO PROPERTY

**Property damage** to:

- (1) Property the **insured** owns, rents, or occupies, including any costs or expenses incurred by the **insured**, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises the **insured** sells, gives away or abandons, if the **property damage** arises out of any part of those premises;
- (3) Property loaned to the **insured**;
- (4) Personal property in the care, custody or control of the **insured**;
- (5) That particular part of real property on which the **insured**, or any contractors or subcontractors working directly or indirectly on the **insured's** behalf are performing operations, if the **property damage** arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to **property damage** (other than damage by fire) to premises, including the contents of such premises, rented to the **insured** for a period of seven or fewer consecutive days.

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** included in the **completed operations hazard**.

## LL. UNDER COVERAGE B

### INFRINGEMENT OF COPYRIGHT, PATENT, TRADEMARK OR TRADE SECRET

**Personal injury** arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in the **insured's** advertisement.

However, this exclusion does not apply to infringement, in the **insured's** advertisement, of copyright, trade dress or slogan.

## SECTION VII - DEFINITIONS

### A. **Administration** means:

1. Providing information to employees, including their dependents and beneficiaries, with respect to eligibility for or scope of **employee benefit programs**;
2. Handling of records in connection with **employee benefit programs**; or
3. Effecting, continuing or terminating any employee's participation in any benefit included in the **employee benefit program**.

However, **administration** does not include handling payroll deductions.

### B. **Aircraft** means a vehicle designed for the transport of persons or property principally in the air.

### C. **Ambulance operations** means transportation by ambulance vehicles and the medically necessary services, including basic life support by licensed or certified emergency medical technicians.

### D. **Auto** means:

1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
  2. Any other land vehicle that is subject to compulsory or financial responsibility laws in the state where it is licensed or principally garaged.
- E. Bodily injury** means bodily harm, sickness, disability or disease sustained by a person, including death resulting from any of these at any time. **Bodily injury** includes mental injury, mental anguish, humiliation, shock or death if resulting directly from **bodily injury**. **Bodily injury** shall include care, loss of services, loss of consortium, or death resulting at any time from the **bodily injury**.
- F. Completed operations hazard** includes **bodily injury** and **property damage** arising out of operations, but only if the **bodily injury** or **property damage** occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the **insured**. Operations include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:
1. When all operations to be performed by or on behalf of the **insured** under the contract have been completed;
  2. When all operations to be performed by or on behalf of the **insured** at the site of the operations have been completed; or
  3. When the portion of the work out of which the **bodily injury** or **property damage** arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete shall be deemed completed.

The **completed operations hazard** does not include liability arising out of:

1. Operations in connection with the transportation of property unless the liability arises out of a condition in or on a vehicle created by the loading or unloading thereof;
2. The existence of tools, uninstalled equipment or abandoned or unused materials.

**G. Dam** means any artificial barrier together with appurtenant works which:

1. Is twenty-five feet or more in height from the foot of a natural bed of stream or watercourse; or
2. Has water impounding capacity of fifty acre feet or more.

Except, any such barrier which is not in excess of twenty-five (25) feet in height regardless of storage capacity, or which has a storage capacity not in excess of fifteen (15) acre feet regardless of height, shall not be considered a **dam**; and, no structure specifically exempted from jurisdiction by the applicable state agency overseeing **dams** shall be considered a **dam**, unless such structure is under the jurisdiction of any agency of the federal government.

**H. Damages** mean monetary compensation resulting from: (a) **bodily injury** or **property damage**, (b) **personal injury**, (c) **public officials errors and omissions liability**, or (d) **employment practices liability**.

**I. Defense costs** means reasonable fees charged by an attorney, including expenses of a claims servicing organization the **insured** has engaged, and all other reasonable fees, costs, including third-party attorney's fees and costs as authorized by law or under contract, and expenses attributable to the investigation, defense, administration or appeal of a claim or **suit** within the scope of coverage afforded by this policy. **Defense costs** shall not include any allocated claims expenses, salaries or overhead incurred by attorneys who are employees of the **insured**.

- J. Employee benefit program** means a program providing some or all of the following benefits to employees, whether provided through a cafeteria, pre-tax plan, or otherwise:
1. Group life insurance, group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an employee may subscribe to such benefits and such benefits are made generally available to those employees who satisfy the plan's eligibility requirements;
  2. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans, retirement plans, incentive programs, and stock subscription plan equally available to all full time employees, provided that no one other than an employee may subscribe to such benefits and such benefits are made generally available to all employees who are eligible under the plan for such benefits;
  3. Unemployment insurance, social security benefits, workers compensation and disability benefits; or
  4. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.
- K. Employment practices liability** means any claim or **suit** by a past, present, or prospective employee of the **insured** (and the spouse, child, parent, brother or sister of that person as a consequence of **employment practices liability** at whom any of the **employment practices liability** is directed) arising out of the following **wrongful acts**: wrongful dismissal, discharge, or termination, either actual or constructive, of employment; employment related misrepresentation; **retaliation**; wrongful failure or refusal to employ or promote; wrongful deprivation of career opportunity or reassignment; wrongful discipline; failure to grant tenure or negligent employee evaluation; **sexual or workplace harassment** of any kind, including, but not limited to, the alleged operation of a harassing workplace environment; negligence resulting in **damages** to a person that is a **whistle-blower**; unlawful discrimination, whether direct, indirect, intentional or unintentional; failure to provide adequate employee policies and procedures; or any act, error, or omission in the **administration** of the **insured's employee benefit program**. **Employment practices liability** shall include actions brought under state, local, or federal law, whether common or statutory, and shall include, but not be limited to allegations of violations of the following federal laws, as amended, including regulations promulgated thereunder:
1. Americans With Disabilities Act of 1992 (ADA);
  2. Civil Rights Act of 1991;
  3. Age Discrimination In Employment Act of 1967 (ADEA), including the Older Workers Benefit Protection Act of 1990;
  4. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy Discrimination Act of 1978;
  5. Civil Rights Act of 1866, Section 1981; and
  6. Fifth and Fourteenth Amendments of the U.S. Constitution.
- L. Excess defense costs** means **defense costs** incurred by the **insured** with the written consent of the **Company** after the **retained limit** has been exhausted by payment of judgments, settlements and **defense costs**.
- M. Governed directly** means the special district is governed by the **Named Insured's** governing board.
- N. Hired auto** means an **auto** used under contract on behalf of or loaned to the **Named Insured**, provided such **auto** is not owned by or registered in the name of the **Named Insured** or any of its employees or servants.
- O. Insured** means any person or organization qualifying as an **insured** under **SECTION V: WHO IS INSURED, COVERED PERSONS OR ENTITIES** section of this policy. The coverage afforded applies separately to each **insured** against whom claim is made or **suit** is brought, except with respect to the limits of the **Company's** liability.

**P. Insured contract** means:

1. contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an **insured contract**;
2. a sidetrack agreement;
3. any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. an elevator maintenance agreement;
6. that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for **bodily injury** or **property damage** to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph 6. does not include that part of any contract or agreement:

- a. that indemnifies a railroad for **bodily injury** or **property damage** arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- b. that indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (1) preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (2) giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;  
or
- c. under which the Insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Insured's rendering or failure to render professional services, including those listed in (b) above and supervisory, inspection, architectural or engineering activities.

**Q. Joint Powers Authority** includes an interlocal agency or similar authority within a jurisdiction and means two or more public agencies joined together by a joint agreement to exercise jointly power common to the contracting parties, including, but not limited to the power to create risk pooling and joint purchase of private insurance.

**R. Municipality** means a legally incorporated or duly authorized association of inhabitants of a limited area limited to the following: city, town, county, village, township, parish, borough, hamlet, burgh, or state, and the special districts authorities and bureaus directly related to such entities.

**S. Non-owned aircraft** means any **aircraft** other than:

1. **Aircraft** owned in whole or in part by or registered in the name of the **insured**;
2. **Aircraft** having a seating capacity in excess of forty-five passenger seats; or
3. **Aircraft** which are the subject of a lease or service agreement with the **insured** for a period in excess of thirty days.

**T. Nuclear material** means source material, special **nuclear material**, or byproduct material. Source material, special **nuclear material**, and byproduct material have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

**U. Occurrence** means an accident, including injurious exposure to conditions, which results, during the policy period, in **bodily injury** or **property damage**, neither expected nor intended from the standpoint of the **insured** unless the **bodily injury** or **property damage** results from the use of reasonable force to protect persons or property. All **damages** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**, which will be deemed to have taken place at the time of the first known **bodily injury** or **property damage**.

**V. Personal injury** means injury, including consequential **bodily injury** or **property damage**, arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment or malicious prosecution;
2. Publication or utterance of libel or slander, including disparaging statements concerning the condition, value, quality or use of real or personal property, or publication or utterance in violation of rights of privacy;
3. Wrongful entry or eviction, or other invasion of the right of private occupancy;
4. Assault and battery, not committed by, at the direction of or with the consent of the **insured**, unless committed or directed for the purpose of protecting persons or property from injury or death; or
5. Discrimination on any basis, including but not limited to: race, religion, nationality, national origin, color, creed, sex, sexual orientation, age, nature of employment, or disability. This does not include discrimination related to employment, including discrimination related to the refusal to employ, termination of a person's employment, or employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person.

All **damages** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one offense, which will be deemed to have taken place at the time of the first known **personal injury**.

**W. Property damage** means

1. Physical injury to, or destruction of, tangible property which occurs during the policy period, including the loss of use thereof at any time resulting therefrom; or
2. Loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an **occurrence** during the policy period.

**X. Public officials errors and omissions liability** means any claim or **suit** against an **insured**, whether individually or collectively, arising out of any **wrongful act**, including misfeasance, malfeasance or nonfeasance, or solely by reason of being or having been **insureds**. All **damages** arising out of a single act, error or omission or a series of related acts, errors or omissions shall be considered as arising from a single **wrongful act**, which will be deemed to have taken place at the time of the first known actual or alleged act, error or omission.

**Y. Retained limit** means the **Retained Limit** amount shown in the Declarations page. This amount applies to each and every **occurrence**, offense, and **wrongful act** whether or not **you** maintain any applicable insurance.

**Z. Riot, civil commotion or mob action** means any collection of people, assembled for the purpose and with the intention of committing an assault or a battery upon any person or an act of violence without authority of law.

**AA. Retaliation** means any act of any **insured** relating to or alleged to be in response to any of the following activities:

1. The disclosure or threat of disclosure by the **insured's** employee to a superior or to any governmental agency of any act by the **insured** which is alleged to be a violation of any federal, state, local, or foreign law, common or statutory, or any rule or regulation promulgated thereunder;
2. The actual or attempted exercise by the **insured's** employee of any right that such employee has under law;
3. The filing of any claim or **suit** under the federal false claims act of any other federal, state, local, or foreign **whistle-blower** law; or
4. Strikes of the **insured's** employees.

**AA. sexual or workplace harassment** means any unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature perpetrated upon an **insured** by another **insured**, or **insureds** acting in concert, which causes mental anguish, humiliation, or emotional distress when:

- a. Submission to or rejection of such conduct is made either explicitly or implicitly a condition of an **insured's** employment, or a basis for employment decisions affecting an **insured**; or
- b. Such conduct has the purpose or effect of unreasonably interfering with an insured's work performance or creating an intimidating, hostile or offensive work environment.

**BB. Subsidence** means settling, sinking, slipping, falling away, caving in, shifting, eroding, rising, tilting, or any other movement of land or earth.

**CC. Suit** means a civil or administrative proceeding, including arbitration and other alternative dispute resolution procedures, in which **damages**, because of **bodily injury, property damage, personal injury, public officials errors and omissions liability**, or **employment practices liability** to which this coverage applies, are alleged.

**DD. Ultimate net loss** means the total sum which the **insured** becomes legally obligated to pay as **damages** by reason of judgments or by reason of settlements made, covered hereunder, with the written consent of the **insured** and the **Company**, plus **defense costs**.

**EE. Whistle-blower** means an employee, who discloses or threatens to disclose to a superior or any governmental agency, or who gives testimony, mainly relating to any action by the **insured**, which may be a violation of public policy as reflected in legislation administrative rules, regulations or decisions, judicial decisions, or professional codes of ethics.

**FF. Wrongful act** means any actual or alleged act, error or omission arising out of the conduct or performance of the **insured** in the performance of his or her duties for or on behalf of the **Named Insured**. All **damages** arising out of a single act, error or omission or a series of related acts, errors or omissions shall be treated as arising from a single **wrongful act**, which will be deemed to have taken place at the time of the first known known actual or alleged act, error or omission.

## SECTION VIII – CONDITIONS

### A. ACTION AGAINST THE COMPANY

No action shall lie against the **Company** with respect to any one **occurrence**, offense, or **wrongful act** unless, as a condition precedent thereto, the **insured** shall have fully complied with all the terms of this policy, nor until the amount of the **insured's** obligation to pay an amount of **ultimate net loss** in excess of the **retained limit** shall have been finally determined either by judgment against the **insured** after actual trial, arbitration award, or by written agreement of the **insured**, the claimant and the **Company**. Any person or organization or the legal representative thereof who has secured such judgment or written agreement, shall thereafter be entitled to recover under this policy the extent of the coverage afforded by this policy. Nothing contained in this policy shall give any person or organization any right to join the **Company** as a co-defendant in any action against the **insured** to determine the **insured's** liability.

Bankruptcy or insolvency of the **insured** shall not relieve the **Company** of any of its obligations hereunder.

## B. APPEALS

When a **suit** has proceeded to trial court judgment and neither the **insured** nor the **Company** has invoked the provisions of Condition I.4. (a) or (b) below and the **insured** elects not to appeal a judgment in excess of the **retained limit**, the **Company** may elect to do so at its own expense, but in no event shall the liability of the **Company** for **ultimate net loss** exceed the applicable amount specified in the limits of liability section of the Declarations inclusive of all **excess defense costs** necessary and incident to such appeal.

## C. ASSIGNMENT

Assignment of interest under this policy shall not bind the **Company** until its consent is endorsed hereon; if, however, the **insured** shall die, such coverage as is afforded by this policy shall apply (a) to the **insured's** legal representative, as the **insured**, but only while acting within the scope of his/her duties as such, and (b) with respect to the property of the **insured**, to the person having proper temporary custody thereof, as the **insured**, but only until the appointment and qualification of the legal representative.

## D. BANKRUPTCY OR INSOLVENCY

This insurance will not drop down or replace the **retained limit** in the event of bankruptcy or insolvency of any **insured**, or assume an obligation associated with the **retained limit**. This insurance will apply as if the **retained limit** were in full effect.

## E. CANCELLATION AND NON-RENEWAL

1. If this policy has been in effect for more than 60 days, the **Company** may not cancel the policy except for nonpayment of premium. If the **Company** cancels the policy because the **Named Insured** has failed to pay a premium when due, the **Company** may cancel this policy by mailing written notice of cancellation to the **Named Insured** at the address shown on the Declarations stating when, not less than 20 days thereafter, such cancellation shall be effective.

If this policy has been in effect for less than 60 days and is not a renewal, the **Company** may cancel the policy by mailing or delivering to the **Named Insured** written notice of cancellation at least 90 days before the effective date of cancellation if there has been:

- (a) A material misstatement or misrepresentation; or
- (b) Failure to comply with underwriting requirements established by the **Company**.

If the **Company** cancels the policy, the final premium will be calculated pro rata based on the time the policy was in force.

2. The **Named Insured** may cancel the policy at any time by sending written notice to the **Company** stating when thereafter the cancellation shall be effective.

## F. CAPTIONS

The captions or headings used in this policy are for the purpose of reference only and shall not otherwise affect the meaning of this policy.

## G. CHANGES

Notice to any broker or knowledge possessed by or any broker or by any other person shall not effect a waiver or change in any part of this policy or stop the **Company** from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.

## H. CLAIMS SERVICING ORGANIZATION

1. **You** shall designate the Retained Limit Claims Servicing Organization shown on the Policy Declarations to perform the following services for claims or **suits** seeking **damages** against an **insured** to which this policy may apply, regardless of the application of any **retained limit**.
  - (a) Defense and investigation of all claims or **suits**;
  - (b) Maintain accurate records of all details incident to claims payments; and
  - (c) Furnish monthly claims records to **you**.
2. Within forty-five (45) days after the end of the policy term, **you** must give the **Company** a listing of all existing claims or **suits** within the **retained limit** amounts. Quarterly thereafter, **you** are required to provide the **Company** with an updated listing of the status of all claims or **suits**, both paid and reserve, until all claims or **suits** for the reporting period are closed or settled. However, the failure of a Retained Limit Claims Servicing Organization to meet the time frame outlined in this paragraph shall not relieve the **Company** of any obligations hereunder.
3. In the event of cancellation, expiration or revision of the servicing contract between **you** and the Retained Limits Claims Servicing Organization, **you** shall notify us within ten (10) days of the effective date of such cancellation, expiration or revision.
4. **You** must notify the **Company** immediately of any change in the Retained Limit Claims Servicing Organization and we reserve the right to approve any new Claim Administrator. **You** (or **your** Retained Limit Claims Servicing Organization) must **provide us with** loss runs on a quarterly basis.

## I. INSPECTION AND CLAIM REVIEWS

The **Company** shall be permitted, but not obligated to, inspect the **insured's** property and operations at any time. Neither the **Company's** right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the **insured** or others, to determine or warrant that such property or operations are safe. The **Company** may examine the **insured's** books and records at any time during the policy period and extensions thereof and within three years after the final termination of this policy, as far as they relate to the subject matter of this coverage.

In addition, the **Company** has the right to examine and audit your claims handling and reserving procedures, practices and records while this policy is in force and for three years after the final settlement of all claims. Also, you will provide us any reasonable claim information, which we may request.

## J. INSURED'S DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, WRONGFUL ACT, CLAIM OR SUIT

1. In the event of an **occurrence**, offense, or a **wrongful act** reasonably likely to involve the **Company** or with respect to which the amount incurred has reached 50 percent or more of the **retained limit**, written notice containing particulars sufficient to identify the **insured** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the **insured** to the **Company** as soon as practicable, after the **Named Insured** or any person authorized by the **Named Insured** to give or receive notice of a claim or **suit**, has knowledge of the **occurrence**, offense, or **wrongful act**.
2. If claim is made or **suit** is brought against the **insured** which appears reasonably likely to involve the **Company**, the **insured** shall forward to the **Company** every demand, notice, summons or other process received by him/her or his/her representative, immediately or within a reasonable amount of time after the **Named Insured** or any person authorized by the **Named Insured** to give notice of a claim or **suit** has knowledge of the claim or **suit**.

The **insured** must also give the **Company** written notice as soon as practicable for any **occurrence**, offense, **wrongful act**, claim or **suit** which the **insured** becomes aware of that includes the following:

1. Any claim reserved at the Total Incurred of 50% or greater of **retained limit**; inclusive of all expenses, suffixes and related claims.
2. In addition, the Claims Servicing Organization is also required to report the following losses regardless of reserve:
  - i. Any claim with an assigned a trial date in the next 30 days that has not been otherwise reported .
  - ii. Class action suits.
  - iii. Law enforcement actions alleging excessing use of force or wrongful conviction.
  - iv. Claims involving allegations of harassment, including but not limited to sexual, employment-based or third-party.
  - v. Sexual misconduct or molestation – including allegations of assault, misconduct, rape and related offenses.
  - vi. Fatalities.
  - vii. Spinal cord injuries resulting in any degree of paraplegia or quadriplegia.
  - viii. Nerve damage injuries resulting in paralysis or loss of sensation.
  - ix. Brain damage claims including; but not limited to, closed head injuries, permanent disorientation, behavior disorder, personality change, seizure, motor deficit or other cognitive disorders.
  - x. Burns – Third degree burns involving 10% of the body, or second degree burns involving 30% of the body.
  - xi. Amputation – complete or partial.
  - xii. Impairment of vision or hearing – 50% or greater.
  - xiii. Multiple injuries arising out of one occurrence, including but not limited to; massive internal injuries or multiple fractures involving more than one claimant.
3. The **insured** shall cooperate with the **Company** and upon its request, assist in making settlements, in the conduct of **suits** and in enforcing any right to contribution, subrogation or indemnity against any person or organization who may be liable to the **insured** because of liability with respect to which coverage is afforded under this policy, and the **insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **insured** shall not, except at its own costs, voluntarily make any payment, assume any obligation or incur any expense with respect to any claim or **suit** to which this insurance applies; however, in the event that the amount of **ultimate net loss** becomes certain either through trial court judgment, arbitration award, or agreement among the **insured**, the claimant and the **Company**, then the **insured** may pay the amount of **ultimate net loss** to the claimant to effect settlement and, upon submission of due proof thereof, the **Company**, subject to its limit of liability, shall indemnify the **insured** for that part of such payment which is in excess of the **retained limit**, or shall, upon request of the **insured**, timely make such payment to the claimant on behalf of the **insured**.
4. The **Company**, at its option, shall have the right at its own expense to investigate any claim or **suit** and/or negotiate the settlement thereof, as it deems expedient, but the **Company** shall not commit the **insured** to any settlement without the **insured's** consent. Should the claimant or plaintiff, as the case might be, tender a bona-fide, good faith, settlement demand which when added to the incurred **defense costs** is in excess of the **retained limit**, the payment of which would result in the full and final disposition of said claim or **suit**, then if such settlement demand is acceptable to either the **insured**, or the **Company** (but not both), then with regard to that settlement demand:

- (a) If such settlement demand is not acceptable to the **Company** and the **insured** tenders to the **Company** an amount equal to the **retained limit** less incurred **defense costs**, if any, the **Company** shall then pay on behalf of the **insured** all sums which the **insured** shall be legally obligated to pay as **damages**, including without limitation, the **retained limit**, plus future investigation, adjustment, appraisal, appeal, post judgment interest and **defense costs**. However, in no event shall the **Company's** agreement to pay on behalf of the **insured** exceed the limit of liability as stated in the Declarations in addition to such investigation, adjustment, appraisal, appeal, post-judgment interest and **defense costs**. Should the full and final disposition of the claim, including judgments, settlements, investigation, adjustment, appraisal, appeal, post-judgment interest and **defense costs** be less than the amount tendered by the **insured**, the unused portion of the tendered amount shall be returned to the **insured** by the **Company**.
- (b) If such settlement demand is not acceptable to the **insured** and the **Company** tenders to the **insured** an amount equal to the difference between the **retained limit**, less incurred **defense costs**, and said settlement demand, or the applicable amount specified in the limits of liability section of the Declarations, whichever is less, then the **Company's** agreement to pay on behalf of the **insured** for the **ultimate net loss** hereunder shall be discharged and terminated and the **Company** shall have no further obligations with respect thereto.

#### K. NAMED INSURED

The **Named Insured** named in the Declarations is authorized to act on behalf of all **insureds** with respect to the giving and receiving of notice of cancellation and receiving any return premium that may become payable under this policy. The **Named Insured** named in the Declarations is responsible for the payment of all premiums but the other **insured's** jointly and severally agree to make such premium payments in full if the **Named Insured** fails to pay the amount due within thirty days after the **Company** gives a written demand for payment to the **Named Insured**.

#### L. OTHER COVERAGE

If other valid and collectible insurance or group coverage applies to a claim or **suit** that is also covered by this policy, this policy will apply excess of the other insurance, whether this other insurance is primary, excess, contingent, or issued on any other basis. This provision, however, will not apply if the other insurance is specifically written to be excess of this policy.

The **Company** acknowledges that the **insured** from time to time may purchase underlying insurance with limits of liability less than, equal to, or greater than the amount of the **retained limit** for certain operations, events or hazards for which this policy affords excess coverage.

It is agreed that this policy (subject to its declarations, schedule, terms, conditions, exclusions, and endorsements that complete this policy) shall provide insurance in excess of such underlying insurance subject to the following condition:

If the limits of liability of the underlying policy are less than the **retained limit**, the **insured** shall bear the risk of the difference; however, if such limits are greater than the **retained limit**, this policy is in excess of the greater limit.

#### M. SEVERABILITY OF INTERESTS

The term **insured** is used severally and not collectively, but the inclusion herein of more than one **insured** shall not operate to increase the limits of the **Company's** liability.

#### N. SUBROGATION

The **Company** shall be subrogated to the extent of any payment hereunder to all the **insured's** rights of recovery therefore; and the **insured** shall do nothing after loss to prejudice such rights and shall do everything necessary to secure such rights. Any amount so recovered shall be apportioned as follows:

Any person or entity (including the **insured**) having paid an amount in excess of the **retained limit** plus the limit of liability hereunder shall be reimbursed first to the extent of actual payment. The **Company** shall be reimbursed next to the extent of its actual payment hereunder. If any balance then remains unpaid, it shall be applied to reimburse the **insured**. The expenses of all such recovery proceedings shall be apportioned in the ratio of respective recoveries. If there is no recovery in proceedings conducted solely by the **Company**, it shall bear the expenses thereof.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET ADDITIONAL INSURED AND PRIMARY/NON-CONTRIBUTORY**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

**1. The following is added to SECTION V. - WHO IS AN INSURED, COVERED PERSONS OR ENTITIES:**

Any person(s), entity(ies), or organization(s) to whom the **Named Insured** is obligated by virtue of a written contract to provide insurance solely with respect to **bodily injury** and **property damage** is an additional insured.

**2. The Limits of Insurance** afforded to such additional insured will be limited to the limits of insurance required within the terms of the written contract or the limits of insurance of this policy, whichever is less. We will not be obligated for limits of insurance shown in the written contract that are greater than the limits of insurance of this policy.

However, Paragraphs **1.** and **2.** above do not apply to such additional insured unless the **Named Insured** had a specific written contract from that person entity(ies) or organization(s) that:

- a. They be an additional insured on this policy; and
- b. The **Named Insured** received such request prior to the date that the **Named Insured's** operations for that person(s), entity(ies) or organization(s) commenced.

**3. The following is added to Section VIII – CONDITIONS:**

If any primary insurance is held by the additional, this insurance is primary to that other insurance, but will apply in excess of the **Named Insured's retained limit** specified in the Declarations. We shall not seek contribution from the other insurance held by the additional insured for amounts payable under this insurance.

This condition applies only with respect to liability for **bodily injury** and **property damage** arising solely out of the negligent acts of the **Named Insured**.

However, Paragraph **3.** above does not apply to an additional insured unless the **Named Insured** had a specific written contract from that person entity(ies) or organization(s) that:

- a. They be an additional insured on this policy; and
- b. The **Named Insured** received such request prior to the date that the **Named Insured's** operations for that person(s), entity(ies) or organization(s) commenced.
- c. This insurance be primary.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDED EMPLOYMENT PRACTICES LIABILITY CONDITION**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

Condition J. INSURED'S DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, WRONGFUL ACT, CLAIM OR SUIT of **SECTION VIII – CONDITIONS** is replaced by the following:

J. INSURED'S DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, WRONGFUL ACT, CLAIM OR SUIT

1. In the event of an **occurrence**, offense, or a **wrongful act** reasonably likely to involve the **Company** or with respect to which the amount incurred has reached 50 percent or more of the **retained limit**, written notice containing particulars sufficient to identify the **insured** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the **insured** to the **Company** as soon as practicable, after the **Named Insured** or any person authorized by the **Named Insured** to give or receive notice of a claim or **suit**, has knowledge of the **occurrence**, offense, or **wrongful act**.
2. If claim is made or **suit** is brought against the insured which appears reasonably likely to involve the **Company**, the **insured** shall forward to the **Company** every demand, notice, summons or other process received by him/her or his/her representative, immediately or within a reasonable amount of time after the **Named Insured** or any person authorized by the **Named Insured** to give notice of a claim or **suit** has knowledge of the claim or **suit**.

The **insured** must also give the **Company** written notice as soon as practicable for any **occurrence**, offense, **wrongful act**, claim or **suit** which the **insured** becomes aware of that includes injury of the following types:

1. Paralysis, paraplegia, or quadriplegia;
2. Loss of eyes or limbs;
3. Spinal cord or brain injury;
4. Sensory organ or nerve injury or neurological deficit;
5. Serious burns;
6. Substantial disability or disfigurement;
7. Death;
8. Amputation or loss of use of a major extremity;
9. Any disability where it appears reasonably likely that there will be disability that lasts for more than one year;
10. Rape, sexual abuse offense/molestation of any individual;
11. Any class action; or
12. Any Employment Practices Liability Claim/Suit that has entered civil litigation.

3. The **insured** shall cooperate with the **Company** and upon its request, assist in making settlements, in the conduct of **suits** and in enforcing any right to contribution, subrogation or indemnity against any person or organization who may be liable to the **insured** because of liability with respect to which coverage is afforded under this policy, and the **insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **insured** shall not, except at its own costs, voluntarily make any payment, assume any obligation or incur any expense with respect to any claim or **suit** to which this insurance applies; however, in the event that the amount of **ultimate net loss** becomes certain either through trial court judgment, arbitration award, or agreement among the **insured**, the claimant and the **Company**, then the **insured** may pay the amount of **ultimate net loss** to the claimant to effect settlement and, upon submission of due proof thereof, the **Company**, subject to its limit of liability, shall indemnify the **insured** for that part of such payment which is in excess of the **retained limit**, or shall, upon request of the **insured**, timely make such payment to the claimant on behalf of the **insured**.
4. The **Company**, at its option, shall have the right at its own expense to investigate any claim or **suit** and/or negotiate the settlement thereof, as it deems expedient, but the **Company** shall not commit the **insured** to any settlement without the **insured's** consent. Should the claimant or plaintiff, as the case might be, tender a bona-fide, good faith, settlement demand which when added to the incurred **defense costs** is in excess of the **retained limit**, the payment of which would result in the full and final disposition of said claim or **suit**, then if such settlement demand is acceptable to either the **insured**, or the **Company** (but not both), then with regard to that settlement demand:
  - (a) If such settlement demand is not acceptable to the **Company** and the insured tenders to the **Company** an amount equal to the **retained limit** less incurred **defense costs**, if any, the **Company** shall then pay on behalf of the **insured** all sums which the **insured** shall be legally obligated to pay as **damages**, including without limitation, the **retained limit**, plus future investigation, adjustment, appraisal, appeal, post-judgment interest and **defense costs**. However, in no event shall the **Company's** agreement to pay on behalf of the **insured** exceed the limit of liability as stated in the Declarations in addition to such investigation, adjustment, appraisal, appeal, post-judgment interest and **defense costs**. Should the full and final disposition of the claim, including judgments, settlements, investigation, adjustment, appraisal, appeal, post-judgment interest and **defense costs** be less than the amount tendered by the **insured**, the unused portion of the tendered amount shall be returned to the **insured** by the **Company**.
  - (b) If such settlement demand is not acceptable to the **insured** and the **Company** tenders to the **insured** an amount equal to the difference between the **retained limit**, less incurred **defense costs**, and said settlement demand, or the applicable amount specified in the limits of liability section of the Declarations, whichever is less, then the **Company's** agreement to pay on behalf of the **insured** for the **ultimate net loss** hereunder shall be discharged and terminated and the **Company** shall have no further obligations with respect thereto.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Insured:** Authority for California Cities Excess Liability

**Endorsement Effective Date:** 7/1/2023

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-005-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DEFENSE COST - EMPLOYMENT PRACTICES LIABILITY CLAIMS**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to **SECTION II – DEFENSE AND SETTLEMENT COSTS:**

If allegations of an **occurrence**, offense, or **wrongful act** solely as respect to **employment practices liability** are not subsequently proven after a trial by a final judgment or other adjudication adverse to a **Named Insured** or if there is a dismissal of the claim or **suit** before a trial, the **Company** will reimburse the **Named Insured** up to fifty percent (50%) of reasonable **defense costs** the **Named Insured** incurs, subject to a maximum of \$250,000. However, reimbursement of such **defense costs** will not be made by the **Company** to the **Named Insured** if there is any kind of settlement with a third party.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Endorsement Effective Date:** 7/1/2023

**Insured:** Authority for California Cities Excess Liability

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-012-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DAM EXTENSION**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

### SCHEDULE

<b>INSURED</b>
City of Santa Monica - Riviera Dam, City of Santa Cruz - Newell Creek Dam
City of Anaheim- Walnut Dam, City of Mountain View - Graham Dam

**SECTION VI – EXCLUSION**, Paragraph J. DAMS is deleted for those **insured(s)** described in the Schedule.

**SECTION VI – EXCLUSION**, Paragraph V. SUBSIDENCE is replaced by the following for those **insured(s)** described in the Schedule:

To **property damage** arising out of **subsidence** for any reason whatsoever.

However, this exclusion does not apply to **subsidence** arising out of the rupture, bursting, overtopping, flooding, cracking, seepage, under-seepage, accidental discharge or partial or complete structural failure of a **dam**.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** StarStone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Endorsement Effective Date:** 7/1/2023

**Insured:** Authority for California Cities Excess Liability

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-013-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TRANSIT COVERAGE - SCHEDULED INSURED**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

SCHEDULE

<b>INSURED</b>
City of Santa Monica Big Blue Bus Line

**SECTION VI – EXCLUSION**, Paragraph W. TRANSIT is deleted for those Insured(s) described in the Schedule.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Insured:** Authority for California Cities Excess Liability

**Endorsement Effective Date:** 7/1/2023

**Endorsement Number:** SSC-TRIA-0205-CW 08 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to **SECTION VI. – EXCLUSIONS:**

**A.** 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 to which this endorsement is applicable and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "loss", "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 the federal Terrorism Risk Insurance 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.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** StarStone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Insured:** Authority for California Cities Excess Liability

**Endorsement Effective Date:** 7/1/2023

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-017-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DEFENSE COST**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

**SECTION VII – DEFINITIONS**, Paragraph H. **Defense Cost** is replaced with the following:

H. **Defense costs** means reasonable fees charged by an attorney, including expenses of a claims servicing organization the **insured** has engaged, and all other reasonable fees, costs, including third-party attorney's fees and costs as authorized by law or under contract, and expenses attributable to the investigation, defense, administration or appeal of a claim or **suit** within the scope of coverage afforded by this policy.

**Defense costs** shall also include any allocated claims expenses incurred by attorneys, on covered claims, who are employees of the **insured**. The billed rate for the employed attorneys shall be limited to the actual hourly cost.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** StarStone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Endorsement Effective Date:** 7/1/2023

**Insured:** Authority for California Cities Excess Liability

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-018-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF NAMED INSUREDS AND RETAINED LIMITS**

The most we will pay under the policy indicated above for **ultimate net loss** by any **insured** shown in the Schedule below is the Limit of Insurance indicated on the Declarations in excess of the applicable **retained limit** amount.

<b>NAMED INSURED</b>	<b>Retained Limit</b>
City of Anaheim, including: The City of Anaheim acting as the Successor Agency to the Anaheim Redevelopment Agency; Anaheim Housing Authority; Anaheim Stadium Incorporated; Anaheim Public Improvement Corporation; Community Center Authority; and the Anaheim Housing and Public Improvement Authority	\$15,000,000
City of Bakersfield, including: Successor Agency of the Dissolved Bakersfield Redevelopment Agency; and Greater Bakersfield CVB	\$15,000,000
City of Burbank, including: Successor Agency to the Redevelopment Agency of the City of Burbank, City of Burbank's Olive I and Olive II Power Generation Facilities; City of Burbank's Lake I Power Generation Facility	\$15,000,000
City of Modesto, including: City of Modesto Redevelopment Successor Agency Oversight Board	\$15,000,000
City of Monterey, including: Successor Agency to the Redevelopment Agency of the City of Monterey; Monterey Recovery Facility (Hyperbaric Oxygen Chamber)	\$15,000,000
City of Mountain View, including: City of Mountain View Capital Improvement Financing Authority; Shoreline Regional Park Community	\$15,000,000
City of Ontario, including: The Successor Agency to the Ontario Redevelopment Agency; City of Ontario Housing Authority; City of Ontario Planning Commission; City of Ontario Recreation and Parks Commission; Ontario City Library Board of Trustees; City of Ontario Museum Board; Ontario Industrial Development Authority; Ontario Redevelopment Financing Authority; Ontario Public Financing Authority	\$15,000,000
City of Palo Alto, including: Palo Alto Public Improvement Corporation	\$15,000,000
City of Salinas, including: Successor Agency to the Redevelopment Agency of the City of Salinas	\$15,000,000
City of Santa Barbara	\$15,000,000
City of Santa Cruz, including: Successor Agency to the Redevelopment Agency of the City of Santa Cruz	\$15,000,000
City of Santa Monica, including: Santa Monica Redevelopment Agency Successor Agency; Santa Monica Housing Authority; Santa Monica Parking Authority; Santa Monica Big Blue Bus	\$15,000,000
City of Visalia	\$15,000,000

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Insured:** Authority for California Cities Excess Liability

**Endorsement Effective Date:** 7/1/2023

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-006-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WAR EXCLUSION**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to **SECTION VI – EXCLUSIONS:**

WAR

Any liability arising out of:

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; or
3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Endorsement Effective Date:** 7/1/2023

**Insured:** Authority for California Cities Excess Liability

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-007-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET WAIVER OF SUBROGATION**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to Paragraph **N. SUBROGATION** under **SECTION VIII. – CONDITIONS:**

The **Company** waives any right of recovery the **Company** may have against a person or organization, with whom you have a written contract, because of payments the **Company** makes for **bodily injury** or **property damage** arising out of the **Named Insured's** operations done under that written contract with that person or organization.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to **SECTION VI. – EXCLUSIONS:**

**Access or Disclosure of Confidential or Personal Information and Data-related Liability**

Liability 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 **ultimate net loss**, cost or expense incurred by **you** or others arising out of that which is described in paragraph 1. or 2. above.

However, unless paragraph 1. above applies, this exclusion does not apply to **damages** because of **bodily injury**.

The following is added to **SECTION VII. – DEFINITIONS:**

"Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computers 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.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Endorsement Effective Date:** 7/1/2023

**Insured:** Authority for California Cities Excess Liability

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-009-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - ORGANIC PATHOGENS**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to **SECTION VI. – EXCLUSIONS:**

### **Organic Pathogens**

1. Liability arising out of the actual, alleged or threatened infectious, pathogenic, toxic or other harmful properties of any **organic pathogen**.
2. Any **ultimate net 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 any **organic pathogen**, 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 any **organic pathogen**.

As used herein, "Organic Pathogen" means any:

1. bacteria; mildew, mold or other fungi; other microorganisms; or mycotoxins, spores or other byproducts of any of the foregoing;
2. viruses or other pathogens (whether or not a microorganism); or
3. colony or group of any of the foregoing.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **Perfluoroalkyl or polyfluoroalkyl substances (PFAS) Exclusion**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to **SECTION VI – EXCLUSIONS:**

### **Perfluoroalkyl or polyfluoroalkyl substances (PFAS)**

Any and all liability of any nature, including, but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, consultants or medical personnel, arising out of, caused by, resulting from, contributed to, aggravated by or related in any way, either directly or indirectly, and either in whole or in part, to:

1. **Bodily injury, property damage, personal injury or public officials errors and omissions liability** arising out of, resulting from, or in any way caused by or related to any actual, alleged or threatened discharge, disposal, escape, seepage, migration, release, or existence, ingestion, inhalation, absorption, exposure to, contact with, consumption or absorption of **perfluoroalkyl or polyfluoroalkyl substances (PFAS)** or materials containing **perfluoroalkyl or polyfluoroalkyl substances (PFAS)**.
2. Any **ultimate net loss** or other type of obligation arising out of or resulting from, or in any way related to, any:
  - (a) claim, **suit**, request, demand, directive, statutory or regulatory requirement, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of **perfluoroalkyl or polyfluoroalkyl substances (PFAS)** or materials containing **perfluoroalkyl or polyfluoroalkyl substances (PFAS)**; or
  - (b) claim or **suit** by or on behalf of any person, entity, or governmental authority for damages or any other relief or remedy because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to or assessing the effects of **perfluoroalkyl or polyfluoroalkyl substances (PFAS)** or materials containing **perfluoroalkyl or polyfluoroalkyl substances (PFAS)**.

The following Definition is added to **SECTION VII - DEFINITIONS:**

**“Perfluoroalkyl or polyfluoroalkyl substances (PFAS)”** means any of the following:

1. Perfluorooctanoic acid (PFOA), a chemical compound described as
  - (a) C<sub>8</sub>HF<sub>15</sub>O<sub>2</sub>,
  - (b) F-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-C(=O(O))-H, or
  - (c) 2,2,3,3,4,4,5,5,6,6,7,7,8,8,8-pentadecafluorooctanoic acid-PFOA;

2. Perfluorooctane sulfonic acid (PFOS), a chemical compound described as
  - (a) C<sub>8</sub>HF<sub>17</sub>O<sub>3</sub>S,
  - (b) F-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-CF<sub>2</sub>-S(=O(=O)(O))-H, or
  - (c) 1,1,2,2,3,3,4,4,5,5,6,6,7,7,8,8,8-heptafluorooctanesulfonic acid-PFOS;
3. Any PFAS replacement related materials, including but not limited to Gen-X, a chemical compound described as
  - (a) C<sub>6</sub>H<sub>4</sub>F<sub>11</sub>NO<sub>3</sub>,
  - (b) Ammonium perfluoro (2-methyl-3-oxahexanoate),
  - (c) C<sub>3</sub> Dimer Acid,
  - (d) hexafluoropropylene oxide dimer acid, or
  - (e) HFPO Dimer Acid;
4. PFOA or PFOS salts, PFAS-related compounds, or any substances which degrade to PFOA or PFOS; or
5. Any PFAS, PFOA, or PFOS identified at any time as a Persistent Organic Pollutant (POP) in Annex A (Elimination), Annex B (Restriction), or Annex C (Unintentional production) in the Stockholm Convention on Persistent Organic Pollutants as ratified by the United States of America and administered by the United States Environmental Protection Agency (USEPA)  
by whatever name manufactured, formulated, sold or distributed.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Insured:** Authority for California Cities Excess Liability

**Endorsement Effective Date:** 7/1/2023

**Endorsement Number:** SSS-EXS-AMW-AMNL-END-011-CW 09 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SILICA EXCLUSION**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR THE ALLIANT NATIONAL MUNICIPAL LIABILITY PROGRAM (ANML)

The following is added to **SECTION VI – EXCLUSIONS:**

### **SILICA**

Any liability or damages of any nature, including, but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, consultants or medical personnel, arising out of, caused by, resulting from, contributed to, aggravated by or related in any way, either directly or indirectly, and either in whole or in part, to:

1. Any actual, alleged or threatened exposure to, existence of, presence of, ingestion of, inhalation of or contact with any “silica” or dust that includes or contains “silica”, whether or not occurring alone, in combination with, before, after or concurrently with any other cause, contributing condition or circumstance, or aggravating factor, whether manmade, natural, or any combination of man-made or natural;
2. Any request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, make repairs, treat, decontaminate, detoxify, neutralize, abate, or in any way respond to or assess any effects of any “silica” or dust that includes or contains “silica”. This includes, but is not limited to, any demand, directive, complaint, “suit”, order or request by any governmental or non-governmental entity or by any organization, person or group of persons; or
3. Steps taken or amounts incurred by any governmental or non-governmental entity or by any organization, person or group of persons to test for, monitor, clean up, remove, contain, repair, treat, decontaminate, detoxify, neutralize, abate, or in any way respond to or assess any effects of any “silica” or dust that includes or contains “silica”.

This exclusion applies regardless of whether or not the “silica” or dust that includes or contains “silica”, or any of their effects, were sudden, accidental, gradual, intended, expected, unexpected, preventable, not preventable, man-made, naturally occurring, or any combination of the foregoing.

As used in this exclusion “silica” means silicon dioxide (SiO<sub>2</sub>) in any form, from any source.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Company:** Starstone Specialty Insurance Company

**Policy Number:** APEICS1827326-08

**Insured:** Authority for California Cities Excess Liability

**Endorsement Effective Date:** 7/1/2023

**Endorsement Number:** SSC-SANCTIONS-END-CW 08 23

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TRADE OR ECONOMIC SANCTIONS**

The following is added to this policy:

### **Trade Or Economic Sanctions**

This insurance does not provide any coverage, and the Company shall not make payment of any **Claim** or provide any benefit hereunder, to the extent that the provision of such coverage, payment of such Claim or provision of such benefit would expose the Company to a violation of any applicable trade or economic sanctions, laws or regulations, including but not limited to, the United Nations, the European Union, any member of its member states or those administered and enforced by the United States and its Treasury Department's Office of Foreign Assets Control (OFAC).

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

**REINSURANCE DECLARATORY STATEMENT ENDORSEMENT**

Notwithstanding any other provision of this Policy, it is hereby declared and acknowledged that Mitsui Sumitomo Insurance Company of America is a 100% reinsurer of Starstone National Insurance Company and Starstone Specialty Insurance Company for the following Public Entity Excess Liability Insurance Program underwritten and managed by Amwins Specialty Casualty Solutions, LLC:

Alliant National Municipal Liability Program (ANML)

Mitsui Sumitomo Insurance Company of America holds ratings of A+ from A.M. Best Company and Standard & Poor's.

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

## **CLAIMS COOPERATION ENDORSEMENT**

The Company listed below shall accept its proportionate share of all liabilities, premiums and other obligations arising under this Contract, for its own several liability, and hereby binds itself only in respect of its due proportion, in compliance with, the terms and conditions of this Policy. The Company listed below also hereby agrees to follow the fortunes of, and be bound by, the decisions made under the Alliant National Municipal Program (ANML) Special Excess Liability Policy, dated effective July 1, 2023, between the Company and Great American E&S Insurance Company (the "Lead Carrier").

Any disputes between the Company and the Lead Carrier arising under or related to this Policy, that do not involve claims coverage or claims resolution decisions that may result in bad faith exposure to the Company, shall be resolved by the Lead Carrier. Any claims coverage and claims resolution decisions that may result in bad faith exposure to the Company, shall be resolved by the Company.

**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 – <https://www.treasury.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.

**FACTS****WHAT DOES STARSTONE SPECIALTY INSURANCE COMPANY DO WITH YOUR PERSONAL INFORMATION?**

<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>▪ Social Security number, name, address, property description, date of birth, driver's license number, phone number, e-mail address, and employment information;</li> <li>▪ Policy coverages, premiums, payment history, and loss and/or claim history;</li> <li>▪ Income, asset, and credit history;</li> <li>▪ Motor vehicle reports, claim reports, demographic data, and medical information and history.</li> </ul> <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
<b>How?</b>	All financial companies need to share customer personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customer's personal information; the reasons StarStone Specialty Insurance Company chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does StarStone Specialty Insurance Company share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

<b>Questions?</b>	Call 844-722-7827
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## Who we are

**Who is providing this notice?**

StarStone Specialty Insurance Company

## What we do

**How does StarStone Specialty Insurance Company protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state laws. These measures include computer safeguards and secured files and buildings.

Also, we only allow employees, authorized service providers and other parties as required or permitted by law to access your information.

**How does StarStone Specialty Insurance Company collect my personal information?**

We collect your personal information, for example, when you:

- Apply for insurance, pay insurance premiums or file an insurance claim;
- Give us your income information or provide employment information;
- Provide your mortgage information;
- Pay us by check; or
- Provide account information or give us your contact information.

We also may collect your personal information from others, such as credit bureaus, affiliates, or other companies.

**Why can't I limit all sharing?**

Federal law only gives you the right to limit sharing:

- between affiliates' for everyday business purposes—(e.g. information about your creditworthiness);
- Between affiliates to market to you; or
- With nonaffiliates to market to you.

State laws and individual companies may give you additional rights to limit sharing.

## Definitions

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- Please visit [www.corespecialty.com](http://www.corespecialty.com) for information regarding StarStone Specialty Insurance Company's affiliates.

**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *StarStone Specialty Insurance Company does not share with nonaffiliates.*

**Joint marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Our joint marketing partners include managing general agents.*

## Other important information

You have a right to see personal information collected about you and the right to correct any information, which may be wrong, by writing to us at the following address: StarStone Specialty Insurance Company, 201 E. Fifth Street, Suite 1200, Cincinnati, OH 45202

**Nevada Residents:** You may request a copy of our telemarketing practices. For more on this Nevada law, contact Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; phone number: 1-702-486-3132; email: BCPINFO@ag.state.nv.us.

**For Vermont Customers:** We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

**For insurance customers in AZ, CT, GA, IL, ME, MA, MT, NV, NJ, NM, NC, ND, OH, OR, and VA only:** The term “Information” means information we collect during an insurance transaction. We will not use your medical information for marketing purposes without your consent. We may share your Information with nonaffiliates without your prior authorization as permitted or required by law. We may share your Information with insurance regulatory authorities, law enforcement, and consumer reporting agencies. Information we obtain from a report prepared by an insurance-support organization may be retained by that insurance-support organization and disclosed to others.

**Residents of California:** We may collect customer information from persons other than the individual or individuals applying for coverage. Such customer information as well as other personal or privileged information subsequently collected may, in certain circumstances, be disclosed to third parties without your authorization as permitted by law. If you would like additional information about the collection and disclosure of customer information, please contact your agent. You may also act upon your right to see and correct any customer information in your files by writing your agent to request this access.