

**City of McCall**  
**McCall Redevelopment Agency**  
**Agenda**  
**September 18, 2018 – 8:00 am**  
Legion Hall  
216 E. Park Street

**CALL TO ORDER AND ROLL CALL**

*Bob Youde, Bob Giles, Monty Moore, and Colby Nielsen, Rick Fereday, Nic Swanson and Mike Maciascek.*

**CONSENT AGENDA**

- Minutes from August 21, 2018 (Action item)
- ICRMP Invoice (Action item)
- Kushlan and Associates Invoice (Action Item)

**NEW BUSINESS**

- New Urban Renewal District Plan update
- Waterfront Improvements -Event Center/Boat House & Waterfront and questions for U of I feasibility team – Kurt Wolf

**NEXT MEETING**

- October 16, 2018

American with Disabilities Act Notice: Legion Hall is accessible to persons with disabilities. If you need assistance, contact City Hall at 634-7142.

**City of McCall**  
**McCall Redevelopment Agency**  
**Minutes**  
**August 21, 2018 – 8:00 am**  
Legion Hall  
216 E. Park Street

**CALL TO ORDER AND ROLL CALL**

*Bob Youde, Bob Giles, Monty Moore, and Colby Nielsen and Rick Fereday were all present. Nic Swanson was absent. Community and Economic Development Director Michelle Groenevelt, Parks and Recreation Director Kurt Wolf, City Manager Anette Spickard and Permit Technician Rachel Santiago-Govier were also present.*

**CONSENT AGENDA**

- Minutes from July 17, 2018 (Action item)

*Member Youde motioned to approve the July 17<sup>th</sup> Minutes. Member Nielsen seconded the motion. All members voted Aye and the motion carried.*

- Elam and Bourke Invoice (Action item)

*Member Nielsen made a motion to approve the Elam and Bourke invoice. Member Giles seconded the motion. All members voted Aye and the motion carried.*

**NEW BUSINESS**

- Adoption of F19 MRA Budget- A PUBLIC HEARING. (Action item)

Chairman Fereday opened and closed the public hearing without comment from the public. Member Youde requested a “FY17 Typo” be fixed.

*Member Youde made a motion to adopt the budget. Member Giles seconded the motion. A roll call vote was held. Member Youde – Yes. Member Giles – Yes. Member Moore – Yes. Member Nielsen – Yes. Member Fereday – Yes. The motion carried.*

- New Urban Renewal District Plan update – financial feasibility and timeline

Mr. Kushlan presented the New Urban Renewal District Plan update. He did a forecast of the revenues and expenditures.

Member Nielsen would like to see not only potential items of development but also ways that the Agency can help accomplish some of these projects.

Chairman Fereday expressed the desire for a good plan so that there is not cost transfer to the taxpayer.

Member Moore asked if there had ever been a cost benefit analysis for the improvements that are done to the value increase for the property.

Ms. Groenevelt and staff have looked at general studies based on pedestrian related spending vs. driver related spending.

Mr. Kushlan reviewed the next steps in the project.

- Parks discussion regarding future projects: waterfront improvements, project priorities, time frames – Kurt Wolf

Mr. Wolf presented the list of possible projects during the wrap up of the current district and priority level of projects for the next few months and years.

Boat house- property directly to the north of the boathouse project is up for sale. Discussion over the acquisition of that property has happened. The property could be potentially used for snow storage or parking or some other use that would benefit and or make the boat house project more feasible. The price of the parcel is \$699,000. Mr. Pace thought that the property would be nice but not ultimately necessary.

The LOT Commission awarded \$10,000 to do a feasibility study for the boat house/education center. He will be going to Moscow with Jim Pace and the faculty at University of Idaho who are interested in doing a study and potentially involving some of their higher-level students in a project-based way.

Ready to submit Encroachment Permit with COE and IDL. Not all of the money has to come from MRA. They have received a \$10,000 grant from Laura Cunningham Moore Foundation that would cover the swim docks and the swim lanes.

He is interested in getting an IDPR grant. County waterways is interested in funding either the waterfront cleanup or the area north of the Marina amenities. Marina is also interested in making log boom a walkout.

Brown Park minor and major improvements needed. Playground is non-compliant (ADA). Potentially up to \$130,000 in repairs needed.

Member Giles asked what Kurt will need total to improve Brown Park and the area north of the marina so that if that is improved that maybe other investors would foot the cost of the purchase of the parcel to the north of the boat house.

- Legacy Promenade Construction & additional work discussion – Kurt Wolf  
Came in 40,000? under budget.
- Discussion of acquiring land

Land of adjacent to Spruce street right of way.

Chairman Fereday stated he is a proponent the city purchasing land for the future for the City. He thinks the forward-looking vision is important and hasn't been implemented by the City management in the past. He has been brainstorming about how to acquire it because without it, the boathouse project would not have parking. The city is always going to need additional areas for snow storage and parking. He thinks the land owner that owns the parcel to the north of the boathouse proposal would be willing to sell the lot for much less if we traded the Pine Street and jdfklsj street property and the city willing to give him a tax break. He thinks it is more important that Brown Park improvements.

Ms. Groenevelt spoke of the plan to include land acquisition. Waterfront plan it is not in there but the MOU may have it.

Member Giles is interested in the timeline for the non-motorized area. Stated that there is an interest in the community in seeing it completed.

Member Nielsen stated that because the waterfront/non-motorized area is already teed up and ready to go with funding sources and materials and he feels that that is a priority. He also stated his support and appreciation of the improvement to the dog swim area and waste station.

- Appointment of Board member (Action item)

There was a discussion on the two candidates for the board position. The board is capped at 7 members. There are currently 6 positions occupied.

*Member Youde made a motion to recommend Mike Maciaszek to the City Council. Member Moore seconded the motion. 5 members voted in favor. Member Nielsen voted no. The motion carried.*

## **NEXT MEETING**

- September 18, 2018

*Member Giles motioned to adjourn the meeting. Member Nielsen seconded the motion. All members voted in favor and the meeting was adjourned.*

Signed: September 18, 2018

Attest:

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Rick Fereday  
MRA Chair

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Michelle Groenevelt  
Community Development Director

DRAFT

10/1/18 - Inv. date  
201810-UR - Inv.#

**Member Billing Contact:**

BessieJo Wagner  
McCall Urban Renewal  
216 E Park Street  
McCall, ID 83638

**Invoice Date:** 9/1/2018  
**Invoice Number:** 18024 - 1819 - 1  
**Policy Period:** 10-1-18 to 9-30-19  
**Policy Number:** 38A18024100118

## Insurance Billing

DESCRIPTION
10/1/2018 - 9/30/2019 Policy Year Annual Premium: \$1,349.00
Minimum Due 10/1/2018: \$674.50
Balance Due 4/1/2019: \$674.50
For proper application, please do not combine other payments with your premium remittance.

Please Detach and Submit with Payment

**Member:**

McCall Urban Renewal  
216 E Park Street  
McCall, ID 83638

**Make Checks Payable to:**

ICRMP  
PO Box 15116  
Boise, ID 83715

<b>Invoice Date:</b>	9/1/2018
<b>Invoice Number:</b>	18024 - 1819 - 1
<b>Due Date:</b>	10/1/2018
<b>Minimum Due:</b>	\$674.50
<b>Amount Paid:</b>	

Write Amount Paid Here

Please fill in new contact information below:

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Name

Title

---

Address

City

State

Zip Code

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Office Phone #

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Email Address

**SUMMARY OF ICRMP PUBLIC ENTITY POLICY CHANGES  
October 1, 2018 through September 30, 2019**

**A. SECTION III, GENERAL CONDITIONS**

**Item 1: A. (4.) *Cancellation & Nonrenewal* – CLARIFY**

We adopted the State of Idaho’s Department of Insurance’s Idaho Code language to standardize our cancellation and nonrenewal provision per its directive.

**B. SECTION V, PROPERTY INSURANCE**

**Item 1: Specific Condition #3 –*Automobiles or Mobile Equipment* - CLARIFY**

Added mobile equipment to this condition since both property types are handled the same way during a claim. Before it was unclear how coverage would apply for mobile equipment owned by employees or authorized volunteers.

**Item 2: Specific Condition #20 –*Vacant or Unoccupied Property* - CLARIFY**

Created separate condition regarding vacant and unoccupied property as it was previously embedded as an exception to an exclusion. Isolating the condition helps in identifying the location of this limitation.

**Item 3: Specific Condition #22 (a.) (3.) – Valuation of Loss - REDUCTION**

Added this item to value vacant or unoccupied buildings (as defined by Condition 21) as actual cash value at the time of the loss and not replacement cost.

**C. SECTION X, ERRORS AND OMISSIONS LIABILITY INSURANCE**

**Item 1: Exclusion D. (1.) (g.) – *Bodily Injury* - CLARIFY**

Removed the words “bodily injury” from the exclusion as the defined term “personal injury” already includes bodily injury.



#### **D. SECTION XI, EMPLOYEE BENEFIT PROGRAM LIABILITY INSURANCE**

**Item 1: Employee Benefit Program Liability Insuring Agreement - CLARIFY**

Added the words “in the administration of your employee benefit program” within the insuring agreement to clarify that this only applies to claims involving the defined terms.

#### **E. SECTION XII, EMPLOYMENT PRACTICES LIABILITY INSURANCE**

**Item 1: Exclusion 1. (a.) - BROADEN**

Removed the words “wrongful act or wrongful employment practice act” from this exclusion as this section covers those specific defined terms.

**Item 2: Exclusion D. (1.) (e.) – *Bodily Injury* - CLARIFY**

Removed the words “bodily injury” from the exclusion as the defined term “personal injury” already includes bodily injury.

**Invoice:**  
**Kushlan | Associates**  
**P.O. Box 8463**  
**Boise, ID 83707**

Attention:	Michelle Groenevelt	Project Title:	District 2 Development
Title:	URA Administrator	Project Description:	Task Order 1A
Company Name:	Community and Economic Development Director	P.O. Number:	
Address:	216 East Park Street	Invoice Number:	MRA 18 - 2018-04
City, State Zip Code:	McCall, ID 83638	Term:	
Date:	9/1/18		

Description	Quantity	Unit Price	Cost	
8/2 Data Analysis	2.5	\$150.00	\$375.00	Item 1
8/3 URA Plan Attachment 5	2	\$150.00	\$300.00	Item 1
8/5 Revenue Allocation Projections	4.5	\$150.00	\$675.00	Item 1
8/9 Meet with Staff	1.0	\$150.00	\$150.00	
8/9 URA Plan Attachment 5	2.5	\$150.00	\$375.00	
8/14 URA Plan Attachment 5	3.75	\$150.00	\$562.50	
8/17 Board Meeting Preparation	3.5	\$150.00	\$525.00	
8/21 URA Board Meeting Attendance	1.75	\$150.00	\$262.50	
8/21 Travel	4	\$75.00	\$300.00	
8/21 Mileage	210	\$0.545	\$114.45	
<b>Total</b>			<b>\$3,639.45</b>	
<b>August Invoice Unpaid</b>			<b>\$1,500.00</b>	
<b>Total Due</b>			<b>\$5,139.45</b>	

Michelle,

Here is my invoice for Phase 3 on the District 2 project. Let me know if you have questions.

Phil Kushlan

**Contract Status**

Original Amount: Task Order 1A	\$1,500.00	Task Order 1B	\$7,500.00
May 2 Invoice	\$ 750.00	July 1 Invoice	\$6,037.50
Balance:	\$ 750.00	Balance	\$1,462.50

Task Order 1C	\$10,000.00
August 1 Invoice	\$ 1,500.00
Balance:	\$ 8,500.00
September 1 Invoice	\$ 3,525.00
Balance	\$ 4,975.00

August 24, 2018

McCall Urban Renewal  
216 E. Park St.  
McCall ID 83638

RE: Business Owners Policy/38A18024100118

Dear Michelle:

Thank you for placing your insurance with The Hartwell Corporation. Your Public Entity Policy is enclosed, and reflects the coverage you have selected. We have checked it against our records but ask that you review it, including all inserts and notices.

The new policy term premium is \$1,349.00 to be billed by ICRMP. Payment of the required premium by the due date indicated on your billing notices will avoid cancellation of coverage for non-payment.

Please note the Terrorism Full Coverage rejection form in the pocket of your binder. If you choose full coverage the additional premium will be \$5,000.00. If you do not want this additional coverage you must sign the rejection form and return as soon as possible.

Let us know if you have any questions or changes to be made. We appreciate your business and thank you again for the opportunity to assist you with your insurance needs.

Sincerely,

Martin Koch, CIC  
Risk Management & Insurance Advisor

/es  
Enclosures



*Policy Year*

2018-2019

# **PUBLIC ENTITY**

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## **Multi-Lines Insurance Policy**

*Issued for:*

**McCall Urban Renewal**

*Issued by:*

**Idaho Counties Risk Management Program**

**3100 Vista Avenue, Suite 300, Boise, ID 83705**

**Phone: (208) 336-3100 ~ Fax: (208) 336-2100**

August 17, 2018

TO: McCall Urban Renewal

RE: Terrorism Coverage for Policy Year Effective October 1, 2018

Dear Valued ICRMP Member:

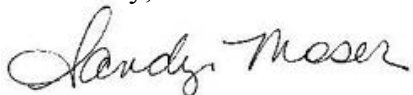
Following the events of September 11, 2001, the nation's largest insurers took their case to Congress concerning their ability to withstand the financial consequences of additional terrorist acts that might take place on American soil. As a consequence, Congress enacted the Terrorism Risk Insurance Act (TRIA) that is intended to protect insured property owners by assuring that their property insurers are not overwhelmed by terrorism-driven claims. Local government risk sharing pools generally were excluded from TRIA.

Because ICRMP is regulated under Idaho law as a reciprocal insurer, federal law requires ICRMP to offer complete terrorism property coverage to its Members. This offering, which is additional to the regular coverage provided by the ICRMP Program, would require payment of an additional Member contribution, based upon the value of the property assets to be covered. An explanation is provided on the accompanying offer sheet.

You should understand that your ICRMP Member agency is under no obligation to accept the terrorism coverage that we are required to offer. In fact, the ICRMP Board of Trustees has purchased excess insurance for Members of ICRMP (as a whole) in the amount of fifty million dollars (\$50,000,000) per year. The coverage provided for all Members is available to be shared among any Members affected by acts of terrorism during a policy year. The Board believes this is a more cost-effective way of addressing this potential exposure. It is included in your regular ICRMP coverage **at no additional cost to you.**

The decision regarding terrorism coverage belongs to your governing board. Please complete the offer sheet evidencing your agency's desire to procure additional terrorism coverage and pay an additional Member contribution, or to reject it and share in the coverage procured for all ICRMP Members. In order to comply with the law, we need your answer promptly. Thank you.

Sincerely,



Sandy Moser  
Underwriting Manager

# NOTICE - OFFER OF TERRORISM COVERAGE (Required by Federal law)

## NOTICE – DISCLOSURE OF ADDITIONAL PREMIUM

TO: ICRMP Member:

The Terrorism Risk Insurance Act, as extended on December 26, 2007 by the enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), is a U.S. Treasury Department program under which the federal government would share, with regulated insurance carriers, the risk of loss from terrorist attacks. The Act applies when the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, certifies that an event meets the definition of a “certified act of terrorism”. Certified acts of terrorism can also include foreign or domestic acts of terrorism, but they still must be certified as such by the Federal officers listed above.

In accordance with the Terrorism Risk Insurance Act, as extended on December 26, 2007, we are required to offer you coverage of all of the property we insure that your agency owns against any “certified act of terrorism”. Your public agency must decide whether you desire the coverage (for an additional premium) or whether you choose to reject the offer of coverage and not pay the premium. The choice belongs to the governing board.

If you choose to accept this offer of terrorism coverage, your premium will include the additional premium for terrorism as stated in this disclosure. If you choose to reject this offer, you must do so by signing the enclosed statement and returning it to your agent, Marty Koch at (208) 459-1678 or mail directly to ICRMP at P.O. Box 15249, Boise, Idaho, 83715.

If you reject coverage under the Act, the ICRMP policy provided to your public entity will provide an alternative form of coverage of terrorism-related insurance. Rather than cover the entire value of every item of property every public entity member of ICRMP might insure, the alternative form of coverage will provide a fixed amount of coverage (50 million dollars) for the entire membership of ICRMP during any single policy year. If terrorism-caused covered losses do not exceed 50 million dollars during any single policy year, such losses will be paid in full, subject to policy terms and conditions. If total terrorism-caused losses exceed 50 million dollars in the current policy year, such losses will be paid on a *pro-rata* basis among members suffering covered terrorism-caused losses, in proportion to their covered losses expressed as a percentage of all covered losses. Coverage under this alternative process shall not require certification by the Federal officials pursuant to TRIPRA.

**Named Insured: McCall Urban Renewal**

### ***DISCLOSURE OF PREMIUM***

If you accept this offer, the premium for terrorism coverage is estimated to be an additional amount of **\$5,000** over and above your proposed renewal Member contribution based on reported total insured values of **\$0**.

**CONTINUED ON NEXT PAGE**

**IF YOU WISH TO REJECT COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT, AS EXTENDED ON DECEMBER 26, 2007, THE NAMED INSURED MUST APPROVE AND SIGN THE FOLLOWING STATEMENTS:**

**TERRORISM RISK INSURANCE ACT REJECTION OF FULL COVERAGE**

We, as a Member of ICRMP, acknowledge that we have been notified as required under the Terrorism Risk Insurance Act, as extended on December 26, 2007, that as respects to the above referenced policy of insurance policy referenced above:

1. We have been offered coverage for acts of terrorism as defined in the Act;
2. We have been advised that if we accept coverage for acts of terrorism as defined in the Act, the United States Government will participate in the payment of terrorism losses insured under the Act, subject to the provisions of the Act;
3. We have been told that if we reject coverage under the Act by signing this notice, to the extent allowed by law, we will have only our respective share of the alternative coverage for any act of terrorism under the policy issued by ICRMP.
4. We have been notified of the annual premium for coverage for acts of terrorism as defined in the Act.
5. We hereby **reject** coverage for acts of terrorism as defined in the Act and understand my policy will contain an exclusion for acts of terrorism as defined by TRIPRA, but will otherwise provide limited coverage concerning acts of terrorism as addressed by the ICRMP policy issued annually to Members.

\_\_\_\_\_  
Chief Executive/Administrative Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print

\_\_\_\_\_  
public office held

McCall Urban Renewal

Public Entity Name

**RETURN THIS FORM TO YOUR AGENT OR ICRMP. A COPY OF THIS DOCUMENT IS AS BINDING AS THE ORIGINAL.**

**ATTENTION AGENT: THIS FORM MUST BE SIGNED PERSONALLY BY AN AUTHORIZED OFFICER OF THE INSURED AND RETURNED TO ICRMP.**

# PUBLIC ENTITY MULTI-LINES INSURANCE POLICY DECLARATIONS

*ISSUED BY IDAHO COUNTIES RISK MANAGEMENT PROGRAM, UNDERWRITERS*

Named Insured: **McCall Urban Renewal**  
 Address: **216 E Park Street**  
**McCall, Idaho 83638**

Policy Number: **38A18024100118**

Application Date: **August 1, 2018**  
 Member Contribution: **\$1,349**

Policy Period: From: **October 1, 2018**  
 To: **October 1, 2019**  
*Both dates above at 12:01 AM*

<b>----- PROPERTY -----</b>			
Section V limit of indemnification is \$200,000,000 per occurrence. This limit is for all property coverages and all limits of indemnification combined for all public entity members collectively.			
<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Coverage Basis</i>	<i>Deductible</i>
<b><i>Buildings, Structures &amp; Property, Mobile Equipment and Automobile Physical Damage</i></b>			
<b><u>Sublimits:</u></b>			
Demolition & Increased Cost of Construction	\$10,000,000	Per covered occurrence.	The first \$500 of any loss is applicable to Section V, Insuring Agreements 1 and 2, excepting flood and earth movement losses.  Earth Movement: The first \$25,000 of any loss.  *Flood Type A: The first \$25,000 of any loss.  **Flood Type B: The first \$500,000 per building and first \$500,000 per contents.
Debris Removal	25% of Damage Amount	Per covered occurrence.	
Drones	\$50,000	Per covered occurrence.	
Earth Movement	\$50,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Entity members combined in this policy year.	
Employee/Volunteer Property	\$50,000	Per accident.	
Fine Arts	\$1,000,000	Per covered occurrence and/or in the aggregate for multiple occurrences in this policy year.	
Flood Type A*	\$50,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Entity members combined in this policy year.	
Flood Type B**	\$5,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Entity members combined in this policy year.	
Inadvertently Omitted Items	\$500,000	Per covered occurrence and/or in the aggregate for multiple occurrences in this policy year.	
Landscape Items	\$25,000	Per covered occurrence.	
Newly Acquired Property	\$10,000,000/120 days	Per covered occurrence.	
Operational Disruption Expense	\$4,000,000	Per covered occurrence.	
Data Restoration Related to Operational Disruption Expense	\$250,000	Per covered occurrence and/or in the aggregate for multiple occurrences in this policy year.	
Preservation of Property	\$250,000	Per covered occurrence.	
Professional Fees	\$1,000,000	Per covered occurrence.	
Property in Course of Construction	\$2,000,000	Per covered occurrence.	
Property in Transit	\$1,000,000	Per covered occurrence.	
Service Animals	\$25,000	Per covered occurrence.	
Valuable Papers and Records	\$1,000,000	Per covered occurrence.	
Data Restoration Related to Valuable Papers and Records	\$500,000	Per covered occurrence and/or in the aggregate for multiple occurrences in this policy year.	
Vehicles & Mobile Equipment	\$1,000,000	Per item per covered occurrence and no more than \$10,000,000 in annual aggregate for multiple items per occurrence while not in use.	
Water/Sewer Backup	\$1,000,000	Per covered occurrence.	



**----- MACHINERY BREAKDOWN INSURANCE -----**

Section VI limit of indemnification is \$100,000,000 per occurrence.

This limit is for all machinery breakdown coverages and all limits of indemnification combined for all public education members collectively.

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Coverage Basis</i>	<i>Deductible</i>
<b>1. Property Damage</b> <i>Sublimits:</i>			The first \$500 of any loss in this section.
Off Premise Property Damage	\$100,000	Per covered occurrence.	
Data or Media (Property)	\$1,000,000	Per covered occurrence.	
Data or Media (Bus. Income & Extra Expense)	\$5,000,000	Per covered occurrence.	
Ammonia Contamination	\$1,000,000	Per covered occurrence.	
Consequential Loss	\$1,000,000	Per covered occurrence.	
Hazardous Substance	\$500,000	Per covered occurrence.	
Water Damage	\$2,500,000	Per covered occurrence.	
Fungus	\$15,000	Per covered occurrence.	
<b>2. Expediting Expenses</b>	\$2,500,000	Per covered occurrence.	
<b>3. Business Income and Extra Expense</b>	\$1,000,000	Per covered occurrence.	
<b>4. Perishable Goods/Spoilage Damage</b>	\$1,000,000	Per covered occurrence.	
<b>5. Service Interruption</b>	\$2,500,000	Per covered occurrence after 24 hour waiting period.	
<b>6. Newly Acquired Premises</b>	\$5,000,000	Per covered occurrence.	
<b>7. Ordinance or Law</b>	\$5,000,000	Per covered occurrence.	
<b>8. Errors and Omissions</b>	\$10,000,000	Per covered claim.	

**----- CRIME INSURANCE -----**

Section VII limit of indemnification is \$500,000 per occurrence.

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Coverage Basis</i>	<i>Deductible</i>
<b>1. Employee Dishonesty</b>	\$500,000	Per covered occurrence.	The first \$500 of any loss in this section.
<b>2. Loss Inside Premises</b>	\$500,000	Per covered occurrence.	
<b>3. Loss Outside Premises</b>	\$500,000	Per covered occurrence.	

-----OCCURRENCE LIABILITY COVERAGES -----

<i>Section and/or Insuring Agreements</i>	<i>Indemnification Limit for Covered Claims Brought Pursuant to Title 6, Ch. 9, Idaho Code</i>	<i>Indemnification Limit for All Other Covered Claims</i>	<i>Defense Cost Limit for Covered Claims</i>	<i>Coverage Basis</i>
<b>SECTION VIII – AUTO LIABILITY</b>				
1. <i>Automobile Liability (Accident Outside State of Idaho)</i>	\$500,000	\$3,000,000	\$2,000,000	Per covered accident.
<i>Automobile Liability (Accident Inside State of Idaho)</i>	\$500,000	\$500,000	Included in above	Per covered accident.
2. <i>Automobile Medical Payments</i>	\$5,000	\$5,000	Not Applicable	Each person.
	\$100,000	\$100,000		Each accident.
3. <i>Uninsured / Underinsured Motorists</i>	\$100,000	\$100,000	Included in above	Each person.
	\$300,000	\$300,000		Each accident.
<b>SECTION IX - GENERAL LIABILITY</b>				
1. <i>General Liability</i>	\$500,000	\$3,000,000	\$2,000,000	Per covered occurrence.
<i>Sublimits:</i>				
Sewer Backup, Mold & Fungus Abatement & Remediation	\$500,000	\$500,000	Included in above	Per covered occurrence.
Fire Suppression Liability	\$500,000	\$500,000	Included in above	Per covered occurrence.
<b>SECTION X – LAW ENFORCEMENT LIABILITY</b>				
1. <i>Law Enforcement Liability</i>	\$500,000	\$3,000,000	\$2,000,000	Per covered occurrence.

**-----CLAIMS MADE LIABILITY COVERAGES -----**

Section and/or Insuring Agreements	Indemnification Limit for Covered Claims Brought Pursuant to Title 6, Ch. 9, Idaho Code	Indemnification Limit for All Other Covered Claims	Defense Cost Limit for Covered Claims	Coverage Basis
<p><b>SECTION XI – ERRORS &amp; OMISSIONS LIABILITY</b></p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p align="center">Retroactive Date: <b>January 1, 2004</b></p> <p>1. Errors &amp; Omissions Liability</p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p><b>SECTION XII – EMPLOYEE BENEFITS LIABILITY</b></p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p align="center">Retroactive Date: <b>January 1, 2004</b></p> <p>1. Employee Benefits Liability</p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p><b>SECTION XIII – EMPLOYMENT PRACTICES LIABILITY</b></p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p align="center">Retroactive Date: <b>January 1, 2004</b></p> <p>1. Employment Practices Liability</p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p><b>SECTION XIV – SEXUAL MOLESTATION/ SEXUAL ABUSE LIABILITY</b></p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p align="center">Retroactive Date: <b>October 1, 2010</b></p> <p>1. Sexual Molestation/Sexual Abuse Liability</p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p><b>SECTION XV – CHEMICAL SPRAYING ACTIVITIES LIABILITY</b></p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p align="center">Retroactive Date: <b>January 1, 2004</b></p> <p>1. Chemical Spraying Activities Liability</p>	\$500,000	\$500,000	\$500,000	Per covered claim and/or in the aggregate for multiple claims.

**----- SECTION XVI –ENDORSEMENTS -----**

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Defense Cost Limit</i>	<i>Coverage Basis and/or Aggregate</i>	<i>Deductible</i>
#1 - Accidental Discharge of Pollutants Amendatory Endorsement	\$100,000	Not applicable	Per covered occurrence and/or in the aggregate for multiple claims.	The first \$500 of any loss for Endorsement #1.
#2 Terrorism Insurance Physical Damage/Loss Amendatory Endorsement	\$50,000,000	Not applicable	In the aggregate annually for all ICRMP Members Collectively in the aggregate insured by this Policy.	The first \$10,000 of any loss for Endorsement #2.
3# Cyber & Technology Liability Endorsement <i>CLAIMS MADE COVERAGE</i> Retroactive Date: July 1, 2015	\$1,000,000	Included in limit of indemnification	Per Covered Claim and \$4,000,000 in the aggregate for multiple claims.	The first \$500 of any loss for Endorsement #3.
#4 Public Land Fire Suppression Amendatory Endorsement	\$500,000	Not applicable	Per covered occurrence and/or in the aggregate for multiple claims.	
#5 Terrorism Liability Amendatory Endorsement	\$500,000	\$500,000	Per covered occurrence and/or in the aggregate for multiple claims.	
#6 Asbestos Remediation Amendatory Endorsement	Included in Building Value as Listed in Schedule of Values	Not applicable	Per covered occurrence.	The first \$500 of any loss for Endorsement #6.

ANNUAL AGGREGATE INDEMNIFICATION LIMIT FOR POLICY PERIOD FOR SECTIONS VIII, IX, X, XI, XII, XIII, XIV, XV AND XVI COMBINED IS \$5,000,000.  
 ANNUAL AGGREGATE DEFENSE COST LIMIT FOR POLICY PERIOD FOR SECTIONS VIII, IX, X, XI, XII, XIII, XIV, XV AND XVI COMBINED IS \$3,000,000.

**NOTICE RE: INSURANCE GUARANTY ASSOCIATION**

As required by Article VIII, Section 4 and Article XII, section 4 of the Idaho Constitution and Idaho Code Section 41-3603(10), the ICRMP Program is not a participant in the Idaho Insurance Guaranty Association. As such, ICRMP Subscribers are not responsible for the costs of private insurer insolvencies, nor are they or claimants against them entitled to any of the protections which participation in the Guaranty Association would provide. This notice is provided in cooperation with the Idaho Insurance Guaranty Association. For additional information concerning this notice, contact the ICRMP Executive Director at 208-336-3100.

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## SECTION I - GENERAL INSURING AGREEMENT

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- A. Unless otherwise stated in a specific subsequent section or endorsement, the following General Insuring Agreement applies to all sections of this policy.
1. Idaho Counties Risk Management Program, Underwriters (ICRMP) agrees with the **named insured** as listed in the declarations pages of this policy made a part hereof, in consideration of the payment of the member contribution and subject to the limits of indemnification, insuring agreements, conditions, exclusions and other terms of this policy, as follows:
    - a. **We** will provide the insurance described in this policy and declarations pages if **you** have paid the member contribution and have complied with all policy provisions and conditions. This policy is divided into coverage sections, some with multiple insuring agreements. The insurance set forth in this policy is subject to the limits of indemnification as indicated on the declarations pages or as set forth within the policy or any other endorsements issued during this term.
    - b. The liability insuring agreements afforded by this policy responding to covered claims for **damages** brought pursuant to Title 6, Chapter 9, Idaho Code (the Idaho Tort Claims Act) are expressly limited to five hundred thousand dollars (\$500,000) per occurrence. It is the express intent of ICRMP to limit exposure and coverage to the limit of \$500,000 per covered claim, **accident, occurrence** or loss as established by statute. Any reference to liability indemnification amounts in excess of five hundred thousand dollars (\$500,000) contained in this policy shall not apply to claims brought pursuant to the Idaho Tort Claims Act.
    - c. All limits of indemnification, including annual aggregate, are as stated in the declarations pages or within the accompanying policy.
- B. Certain provisions in this policy restrict coverage or limit damage amounts. The entire policy should be read carefully to determine **your** rights and duties, and to determine what is and is not covered.

## SECTION II - GENERAL DEFINITIONS

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- A. Unless otherwise stated or amended in a specific subsequent section or endorsement, the following definitions are applicable to all sections and endorsements of this policy.
1. "**Accident**" means a sudden, unexpected and unintended event.
  2. "**Aircraft**" means any contrivance used or designed to carry people in flight.
  3. "**Automobile**" means a motorized land vehicle principally licensed and designed for travel on public roads. **Automobile** does not include **mobile equipment**.
  4. "**Bodily Injury**" means physical injury, sickness, disease, shock, fright, mental injury or anguish, emotional distress, or disability sustained by a natural person, including death resulting from any of these. **Bodily Injury** does not include sexual molestation.
  5. "**Covered Property**" means **your** buildings and structures, building contents, leasehold improvements, leased buildings and structures, buildings and structures in the course of construction, outdoor property, **automobiles** and **mobile equipment** listed on the **schedule of values**. It also means property of others that is in **your** care, custody or control, but only for the portion in which **you** have an insurable interest at the time of the loss.
  6. "**Damage(s)**" means monetary compensation to be awarded through judgment in a court proceeding or through settlement agreed to by **us** to compensate a claimant for harm suffered.
  7. "**Discrimination**" means any actual or alleged:
    - a. Violation of any employment discrimination law; or
    - b. Disparate treatment of, or the failure or refusal to hire a person because he or she is or claims to be a member of a class which is or is alleged to be legally protected.
  8. "**Drone**" means an unmanned aerial vehicle (UAV) not designed, manufactured or modified to be controlled directly by a person from within or on the aerial vehicle.
  9. "**Employee Benefit Program**" means group life insurance, group accident or health insurance, or group dental, vision and hearing plans, retirement, profit sharing, unemployment insurance, or any other benefit provided that no one other than an employee of the **named insured** may subscribe to such insurance or plans and such benefits are made generally available to those employees who satisfy the plan's eligibility requirements.
  10. "**Employment Sexual Harassment**" means any actual or alleged unwelcome sexual advances, requests for sexual favors or any other conduct of a sexual nature which:
    - a. Is made as a term or condition of a person's employment or advancement; or
    - b. The submission to or rejection of which is used as a basis for decisions affecting that person; or
    - c. The purpose or effect of which creates an intimidating, hostile or offensive work environment.
  11. "**Employment Harassment**" means any actual or alleged harassment, other than **employment sexual harassment**, which creates a work environment that interferes with job performance, or creates an intimidating, hostile or offensive work environment.
  12. "**First Aid**" means the rendering of emergency medical treatment at the time of an accident and only when other licensed medical professional care is not immediately available.
  13. "**First Made**" means when **you** first give written notice to **us** that a claim has been made against **you**, but not later than the end of this policy period or any extended reporting period **we** provide. Reports of incidents or

circumstances made by **you** to **us** as part of risk management or loss control services shall not be considered notice of a claim.

14. "**Fungi**" means any organism of the plant kingdom Fungi, which lacks chlorophyll and vascular tissue, including but not limited to, yeast, mold, mildew, rust, smut, mushrooms, spores, mycotoxins, or any other substances, odors, or byproducts arising out of the current or past presence of fungi.
15. "**Insured**" means:
  - a. The **Named Insured**; or
  - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor.
16. "**Mobile Equipment**" means equipment that is on wheels or tracks and is not licensed or principally designed for travel on public roads and is self-propelled or specifically designed to be attached to or pulled by a vehicle such as a trailer or semi-trailer and identified in **your schedule of values**. It also includes watercraft fifty (50) feet and under in length identified in **your schedule of values**.
17. "**Named Insured**" means the public entity identified in the declarations pages of this policy.
18. "**Occurrence**" means an **accident** or a continuous or repeated exposure to conditions which result in **personal injury** or **property damage** during the policy period. All **personal injury** to one or more persons and/or **property damage** arising out of an **accident** or a continuous or repeated exposure to conditions shall be deemed one **occurrence**.
19. "**Personal Injury**" means **bodily injury**, mental anguish, shock, sickness, disease, disability, wrongful eviction, malicious prosecution, humiliation, invasion of rights of privacy, libel, slander or defamation of character, piracy and any infringement of copyright of property, erroneous service of civil papers, assault, battery and disparagement of property.
20. "**Pollutant(s)**" means:
  - a. Those materials that can cause or threaten damage to human health or human welfare or cause or threaten damage, deterioration, loss of value, marketability or loss of use to property; or
  - b. Any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, metals and waste, including debris and trash and materials to be recycled, reconditioned or reclaimed; or
  - c. Bacteria, **fungi**, mold, mildew, virus, silica, or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency or any other governing authority.
21. "**Premises**" means any real property or land possessed and controlled by **you** in **your** capacity as a possessor.
22. "**Property Damage**" means physical damage to or destruction of tangible property, including loss of use resulting from such physical damage or destruction.

23. "**Retaliation**" means any actual or alleged wrongful termination or other adverse employment action by any **insured** against a person or persons on account of:
- a. Assistance, testimony or cooperation with a proceeding or investigation regarding alleged violations of law.
  - b. Exercise or attempted exercise of rights protected by law;
  - c. Disclosure or threat to disclose to a superior or to any governmental agency alleged violations of the law; or
  - d. Refusal to violate any law.
24. "**Terrorism**" means an act that:
- a. is dangerous to human life, property or infrastructure; and
  - b. results in damage within **our** coverage territory; and
  - c. is committed by an individual(s) 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, state or local government by coercion.
25. "**We**", "**Us**" and "**Our**" means Idaho Counties Risk Management Program, Underwriters (ICRMP).
26. "**Wrongful Act**" means the actual or alleged negligent performance of a legal duty or responsibility or failure to perform a legal duty or responsibility, or any error, misstatement, act or omission respectively by **you**, performed in a tortious manner pursuant to the Idaho Tort Claims Act or unlawful violations of civil rights pursuant to Federal law arising out of public office or position. **Wrongful act** is not a **wrongful employment practice act**, as defined elsewhere in this policy.
27. "**Wrongful Employment Practice Act**" means any actual or alleged employment-related act or omission in the form of one or more of the following:
- a. **Discrimination**;
  - b. Employment-related libel, slander, defamation;
  - c. **Employment sexual harassment** or **employment harassment**;
  - d. Negligent hiring, supervision, training or retention.
  - e. **Retaliation**;
  - f. Violation of the Family Medical Leave Act;
  - g. Wrongful discipline, deprivation of career opportunity, or evaluation;
  - h. Wrongful termination.
28. "**You**" and "**Your**" means the **named insured** identified in the declarations pages of this policy.

## SECTION III – GENERAL CONDITIONS

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- A. Unless otherwise stated in a specific subsequent section or endorsement, the following conditions are applicable to all sections and endorsements of this policy.
1. **Apportionment.** In the event a suit alleges a claim which is covered by the terms of this policy and a claim which is not covered by the terms of this policy, **our** obligation for the costs of defense and payment of any award or settlement for **damages** shall be limited to only those sums related to a covered claim.
  2. **Assignment.** **Your** interests in this insurance may not be assigned.
  3. **Bankruptcy and Insolvency.** In the event of **your** bankruptcy or insolvency or any entity **you** comprise, **we** shall not be relieved of the payment of any claim by **you** or against **you** or the liquidator, receiver or statutory successor of **you** under this policy without diminution because of **your** insolvency provided that **you** have timely paid **your** member contributions.
  4. **Cancellation and Nonrenewal.**
    - a. Cancellation.
      - (1) **You** may cancel this policy by mailing or delivering to **us** advance written notice of cancellation. Cancellation will be effective on the later of the date requested by **you** or the date **we** receive the request.
      - (2) **We** may cancel this policy as follows:
        - (a) If this policy has been in effect for sixty (60) days or less, and is not a renewal of a policy **we** issued, **we** may cancel this policy by mailing or delivering to **you** written notice of cancellation at least:
          - (i) Ten (10) days before the effective date of cancellation if **we** cancel for nonpayment of member contribution; or
          - (ii) Thirty (30) days before the effective date of cancellation if **we** cancel for any other reason.
        - (b) If this policy has been in effect for more than sixty (60) days, or is a renewal of a policy **we** issued, **we** may cancel this policy by mailing or delivering to **you** written notice of cancellation to **you** at least:
          - (i) Ten (10) days before the effective date of cancellation if **we** cancel for nonpayment of member contribution; or
          - (ii) Thirty (30) days before the effective date of cancellation if **we** cancel for one or more of the following reasons:
            1. Nonpayment of member contribution;
            2. Fraud or material misrepresentation made by **you** or with **your** knowledge in obtaining a policy, continuing the policy or in presenting a claim under the policy;
            3. Acts or omissions on **your** part which increase any hazard insured against;
            4. Change in the risk which materially increases the risk of loss after the policy has been issued or renewed including, but not limited to, an increase in exposure due to regulation, legislation or court decision;

5. Loss of or decrease in reinsurance which provided **us** with coverage for all or part of the risk insured;
6. A determination by the Director of Insurance that continuation of this policy would jeopardize **our** solvency or place **us** in violation of the insurance laws of Idaho or any other state; or
7. Violation or breach by **you** of any policy terms or conditions other than nonpayment of member contribution.

b. Nonrenewal.

- (1) If **we** elect to not renew this policy, **we** will mail or deliver to **you** a written notice of intention not to renew at least forty-five (45) days prior to the expiration date of the policy.
- (2) If notice is not mailed or delivered at least forty-five (45) days before the expiration date of this policy, this policy will remain in effect until forty-five (45) days after notice is mailed or delivered.
- (3) **We** will not mail or deliver this notice if:
  - (a) **We** have offered to renew this policy;
  - (b) **You** have obtained replacement coverage; or
  - (c) **You** have agreed in writing to obtain replacement coverage.

5. **Coverage Territory.** The insurance provided by this policy applies to any covered claim or lawsuit filed and maintained only within the fifty (50) states, including the District of Columbia, of the United States of America.
6. **Currency.** The member contribution and losses under this insurance are payable in currency of the United States.
7. **Declarations.** By acceptance of this policy **you** agree that the declarations pages accurately indicate the coverages **you** have purchased.
8. **Defense of Claims or Suit.** **We** may investigate or settle any covered claim or suit against **you**. **We** will provide a defense with counsel of **our** choice, at **our** expense, if **you** are sued for a covered claim.
  - a. **Our** obligation to defend any claim or suit ends when either:
    - (1) The amount of loss or **damages we** pay equals the limit(s) of indemnification afforded as listed in the declarations pages under this policy; or
    - (2) The defense costs incurred by **us** equal the defense costs limit for covered claims afforded under this policy either for an individual claim, or in the aggregate as listed in the declarations pages under this policy.
9. **Dispute Resolution Procedure.** **You** and **we** agree that it is in **our** mutual interest to have a dispute resolution procedure in order to address potential disputes and disagreements as to whether or not a claim is covered by the terms and conditions of this policy. **You** and **we** agree that the dispute resolution procedure as set out in the Joint Powers Subscriber Agreement currently in force as of the effective date of this policy shall apply to address any potential disputes and disagreements as to coverage.
  - a. Inapplicable to Certain Disputes and Disagreements:
    - (1) These dispute resolution procedures do not apply to the appraisal condition set forth in the specific conditions applicable to the property Insuring Agreements in section V of this policy, or

to the arbitration condition set forth in the specific conditions applicable to the automobile liability Insuring Agreements set out in section VI of this policy.

- (2) These dispute resolution procedures do not apply in any way to **our** decisions regarding terms of claim settlement, claim payment amount, or the claim investigation process.

10. **Duties After Occurrence, Accident, Wrongful Act, Wrongful Employment Practice Act, Claim or Suit.**

- a. **You** must see to it that **we** are notified as soon as practicable of an **occurrence** which may reasonably result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the **occurrence, claim, accident, wrongful act, wrongful employment practice act** or suit took place;
  - (2) The names, addresses and telephone numbers of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the **occurrence, accident, wrongful act, wrongful employment practice act, claim** or suit.
- b. If a claim is made or suit is brought against any **insured, you** and any involved **insured** must:
  - (1) Immediately send **us** copies of any claims, demands, notices, summonses or legal papers received in connection with the claim, **occurrence, accident, wrongful act, wrongful employment practice act, claim** or suit;
  - (2) See that **we** receive written notice of the claim or suit as soon as practicable;
  - (3) Authorize **us** to obtain records and other information, and provide a sworn statement, if requested;
  - (4) Cooperate with **us** in the investigation, or defense of the claim or suit, including but not limited to, attendance at hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses; and
  - (5) Assist **us**, upon **our** request, in the enforcement of any right against any person or organization which may be liable to **you** because of injury or damage to which this Insurance may also apply.
- c. **You** shall not, except at **your** own risk, voluntarily make a payment, assume any obligation, or incur any expense, other than for **first aid**, without **our** consent.
- d. **Your** failure to comply with the foregoing duties shall constitute a material breach deemed prejudicial to **us**, thereby entitling **us** to refuse any coverage for the **occurrence, accident, wrongful act, wrongful employment practice act, claim** or suit, or any duties arising therefrom.
- e. Reports of incidents or circumstances made by **you** to **us** as part of risk management or loss control services shall not be considered notice of a claim.

11. **Entire Agreement.** This policy, when read in concert with the Joint Powers Subscriber Agreement, embodies the entirety of the agreement existing between **you** and **us** relating to this Insurance. **You** acknowledge that the independent insurance agent responsible for maintaining information about **your** insurance needs has no power to bind ICRMP to provide insurance beyond that expressed in this policy, its endorsements, and its attendant declarations pages.

12. **Extended Reporting Periods.** All coverage sections designated as claims-made are conditioned as follows if this policy is cancelled or not renewed for any reason, other than for non-payment of member contribution or non-compliance with the terms and conditions of this policy:

- a. **We** will extend an Extended Reporting Period of thirty (30) days duration following immediately upon the effective date of nonrenewal or cancellation, to apply to a claim brought forth under the applicable coverage section which is **first made** against **you** in writing to **us** but only by reason of a **wrongful**

**act** or **wrongful employment practice act** which first commences and was sustained subsequent on or after the retroactive date set forth in the declarations pages and prior to the effective date of this policy's cancellation or termination, and which is otherwise afforded by all coverages within this policy.

- b. If, however, this policy is immediately succeeded by a similar claims-made insurance policy with any insurer, in which the retroactive date is the same as or earlier than that shown in the declarations pages of this policy, the succeeding policy shall be deemed to be a replacement of this policy, and the extended reporting period will not apply. Once in effect, an extended reporting period cannot be canceled.
  - c. The extended reporting period does not reinstate or increase the limit(s) of indemnification applicable to any coverages of this policy.
13. **False or Fraudulent Claims.** If **you** make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this policy may become void and all claims hereunder may be forfeited.
14. **Inspections, Audit and Verification of Values.** **We** shall be permitted, but not obligated, to review or inspect **your** property, operations, records, and books, at any reasonable time. Neither **our** right to make inspections or conduct reviews, nor the making thereof, nor any report thereon, shall constitute an undertaking on behalf of or for the benefit of **you** or others, to determine or warrant that such property or operations are safe or that the values stated by **you** in **your** application are accurate. It is **your** responsibility to disclose accurate statements of value.
15. **Loss Payments.** When it has been determined that **we** are liable under this policy, **we** shall pay losses in excess of the stated deductible up to the limits of indemnification stated in the declarations pages. **Our** obligation to make loss payments shall arise as amounts owed are determined.
16. **Mitigation.** In the event of a loss covered under this policy, **you** must take all reasonable steps to prevent further loss or damage.
17. **Multiple Insureds, Claims or Claimants.** To the extent that coverage may be applicable to two or more Insuring Agreements in any section or two or more coverage sections, or inclusion herein of more than one **insured** or the making of more than one **claim, occurrence, wrongful act or wrongful employment practice act** or the bringing of suits by more than one person or organization shall not operate to increase **our** limits of indemnification as stated in the declarations pages. Further, two or more claims arising out of a single **claim, occurrence, wrongful act or wrongful employment practice act** or series of related **claims, occurrences, wrongful acts or wrongful employment practice acts** shall be treated as a single **claim, occurrence, wrongful act or wrongful employment practice act**. All claims made designated coverages for claims, whenever made, shall be considered **first made** against an **insured** during the policy period or any extended reporting period, in which the earliest claim arising out of such **claim, occurrence, wrongful act or wrongful employment practice act**, or series of related **claims, occurrences, wrongful acts or wrongful employment practice acts** was **first made** and all such claims shall be subject to the same limits of indemnification as stated in the declarations pages.
18. **No Benefit to Bailee.** **We** will not recognize any assignment or grant any coverage for the benefit of any person, entity or organization holding, storing or transporting **your** property, regardless of any other provision of this policy.
19. **Non-Stacking of Insurance Benefits.** No individual or entity entitled to coverage under any section of this policy shall recover duplicate coverages for the same elements of loss under other sections of this policy, or other policies written by **us**. Any claim which transcends more than one policy period shall be subject to the policy limits set forth in the declarations pages of the policy which covers the date of the earliest actionable event which gives rise to the claim.
20. **Non-Stacking of Limits - Multiple Sections of this Policy or Multiple Insuring Agreements within each Section Involved in a Single Event.** If any **occurrence, accident, claim, wrongful act or wrongful employment practice act** or other loss covered in whole or in part under any section that also constitutes any **occurrence, accident, claim, wrongful act, wrongful employment practice act** or loss is covered in whole or in part under any other section or any combination of two or more of the coverage sections of this policy, or any events subject to multiple insuring agreements within each section, shall be



limited to coverage limits allowed by the section of the policy with the higher limit for the per occurrence, per accident or per claim limit of indemnification as shown in the declarations pages, and its corresponding deductible shall be the sole limit applicable to the multiple claims or losses addressed. If the per occurrence, per accident and per claim limit of indemnification as shown in the declarations pages are equal, only one limit will still apply and it will be the limit of indemnification and its corresponding deductible, if any, applicable to the section deemed by **us** to be providing the primary coverage for the **claim, accident, wrongful act, wrongful employment practice act, occurrence** or other covered loss.

**21. Notice of Member Contribution or Coverage Changes.**

- a. **We** will mail or deliver to **you**, at the last known mailing address, written notice of the following for a subsequent year at least thirty (30) days prior to the expiration date of this policy:
  - (1) A total member contribution increase greater than ten percent (10%) which is the result of a comparable increase in member contribution rates.
  - (2) Changes in deductibles.
  - (3) Reductions in limits of indemnification.
  - (4) Reductions in coverage.
- b. If **we** fail to provide at least thirty (30) day notice, the policy previously provided to **you** shall remain in effect until thirty (30) days after such notice is given or until the effective date of a replacement policy or self-insurance obtained by **you**, whichever occurs first.
- c. For purposes of this provision, notice is considered given on the date of mailing of the notice to **you**. Proof of mailing of conditions of renewal to the last known mailing address of **you** shall be sufficient proof of notice.

**22. Other Insurance.** If **you** have other insurance (whether primary, excess or contingent), against loss covered by this Insurance, **we** shall be liable, under the terms of this Insurance only as excess of other valid and collectible insurance. Notwithstanding the foregoing, **you** may purchase insurance specifically in excess of this insurance. Such excess insurance shall not be considered "other insurance" for purposes of this condition.

**23. Reporting Property on Your Schedule of Values.** Coverage is conditioned upon information being entered into the online ICRMP e-Agent website by **your** agent. It is the responsibility of the independent insurance agent to enter information into the online ICRMP e-Agent website. It is the responsibility of **you** to report the required information to **your** agent.

**24. Salvage.** The salvage value of **your** damaged property may be credited against the amount **we** pay to replace **your** damaged property if **you** retain said property.

**25. Subrogation/Recovery/Right of Reimbursement.** If **we** make payment under this policy to **you** or on **your** behalf, and **you** or the person or entity for whom payment was made has a right to recover damages, **we** will be subrogated to that right. **You** must do whatever is necessary to enable **us** to exercise **our** rights and must do nothing to prejudice **our** rights. **We** may prosecute an action or pursue other lawful proceedings in **your** name for the recovery of these payments, and **you** must cooperate and assist **us** at **our** request. Recoveries received for payments **we** have paid on **your** behalf including both indemnity payments and expenses **we** have incurred in handling **your** claim, will be reimbursed on a pro-rata recovery basis between **you** and **us**, upon closing of the claim.

**26. Suit Against Us.** No action shall be brought against **us** by **you** unless there has been full compliance with all pertinent provisions of this policy and the ICRMP Joint Powers Subscriber Agreement. No one shall have any right to join **us** as a party to any action against an **insured**.

**27. Terms of Policy to Conform to Statutes.** In the event any terms of this policy are determined to conflict with the statutes of the State of Idaho, they are hereby amended to conform to such statutes.



## SECTION IV - GENERAL EXCLUSIONS

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- A. Unless otherwise stated in a specific subsequent section or endorsement, the following exclusions are applicable to all sections of this policy. This policy does not cover in whole or in part, arising directly or indirectly out of, or resulting from any **personal injury, bodily injury, damages**, claim, **property damage**, damage to **covered property, wrongful act, wrongful employment practice act**, cost, expense or any other type of loss, however characterized for:
1. **Aircraft.** This policy does not cover any claim resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **aircraft**, airfields, runways, or fueling stations related to aviation activities.
  2. **Asbestos.** This policy does not cover any claim caused by or contributed to by:
    - a. The use of, sale of, installation of, removal of, abatement of, distribution of, containment of, or exposure to asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
    - b. The actual or threatened abatement, mitigation, removal or disposal of asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
    - c. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts a. and b. above; or
    - d. Any obligation of the covered party to indemnify or contribute with any party in connection with parts a., b. or c. above.
  3. **Bids or Estimates.** This policy does not cover any claim arising out of estimates of probable costs, or cost estimates being exceeded, or for faulty preparation of bid specifications or plans.
  4. **Civil and Criminal Penalties.** This policy does not cover any claim resulting from any civil penalties, criminal penalties, fines or obligations to pay for public services rendered where such obligation is imposed or provided for pursuant to any federal, state, or local law, statute, ordinance, or regulation, however characterized, except as expressly provided elsewhere, herein.
  5. **Claims by Members against Past or Present Public Officials.** This policy does not cover the interest of any past or present employee, elected official, or agent arising out of any claim for money **damages**, monetary reimbursement or specific performance brought against such employee, elected official or agent by the **named insured** by whom the public official, employee, elected official or agent was employed or retained. Also excluded are those claims brought by an elected official, or by one appointed to fill an elected position for a **named insured** against another official of the same **named insured**, or the **named insured** itself, arising out of a dispute or interpretation involving the relative governmental authority of the elected officials of the **named insured**.
  6. **Contractual Liability.** This policy does not cover a claim where the alleged harm for which compensation is sought derives from:
    - a. The performance or nonperformance of terms of a contract, whether written, oral or implied, or concerns the measure of payment related to contract performance, derives from fines, penalties or administrative sanctions imposed by a governmental agency, or is generated by intergovernmental determination, calculation, handling or allocation of funds according to the law. The claims for which this policy provides defense and indemnification must arise out of conduct of a tortious nature or be premised upon allegations of unlawful violation of civil rights pursuant to state or federal law.
    - b. The interests of the State of Idaho or the United States Government, or their officers, agents, employees, volunteers, officials or trustees, for their conduct and activities arising out of or in any way related to any written, oral or implied contract or agreement with **you**, or otherwise. Each governmental entity shall be responsible for its own conduct and activities under any contract.

7. **Course and Scope.** This policy does not cover any claim resulting from an act or omission outside the course and scope of employment or any act performed with malice or criminal intent. This exclusion applies regardless of whether any **insured** is actually charged with, or convicted of, a crime.
8. **Cyber Liability.** This policy does not cover any claim, notification costs, **credit monitoring expenses**, forensic expenses, loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data; public relations expenses or any other loss; costs or expenses arising directly or indirectly out of, resulting from, caused by or contributed to by losses related to computer-connected access to and/or computer 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 non-public information, except for that data that is required to be disclosed under the Idaho Public Records Act.
9. **Eminent Domain.** This policy does not cover any claim arising out of or in any way connected with the operation of the principles of eminent domain, condemnation proceedings, inverse condemnation, annexation, regulatory takings, land use regulation, or planning and zoning activities or proceedings, however any such matters may be characterized, whether such liability accrues directly against **you** or by virtue of any agreement entered into by or on **your** behalf
10. **Employee Benefits.** This policy does not cover any employee benefit related claim:
  - a. Arising directly or indirectly out of the failure of any investment in or by any **employee benefit program** including but not limited to stocks, bonds or mutual funds to perform as represented by an **insured** or by any party authorized by an **insured** to offer benefits to employees.
  - b. Arising directly or indirectly out of the negligence, financial failure or breach of contract by any health or employee benefit provider that the **named insured** contracts with to provide employee benefits.
  - c. Based upon an **insured's** failure to comply with any law concerning worker's compensation, unemployment insurance, social security or disability benefits.
  - d. Arising out of an insufficiency of funds to meet any obligations under any plan included in the **employee benefit program**.
  - e. For benefits to the extent that such benefits are available, with reasonable effort and cooperation of the **insured**, from the applicable funds accrued or other collectible insurance.
  - f. For errors in providing information on past performance of investment vehicles or advice given by an **insured** to participate or not to participate in or by any **employee benefit program**.
  - g. Arising directly or indirectly out of insolvency, poor performance, misrepresentation, or any other wrongful conduct of any **employee benefit program** provider.
  - h. For which any **insured** is liable because of liability imposed on a fiduciary by the Employee Retirement Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.
11. **Employee Defendants in Criminal Actions.** This policy does not cover any obligation of a **named insured** to make payments pursuant to Idaho Code § 6-610A, which provides for the payment of defense costs on behalf of certain employees of governmental entities who are named as defendants in a criminal action.
12. **Fungi.** This policy does not cover any claim caused by or contributed to by:
  - a. Any fungus(i) or spore(s);
  - b. Any solid, liquid, vapor or gas produced by or arising out of any fungus(i) or spore(s);

- c. Any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(i) or spore(s);
  - d. Any intrusion, leakage, or accumulation of water or any other liquid that contains, harbors, nurtures or acts as a medium for fungus(i) or spore(s);
  - e. The actual or threatened abatement, mitigation, removal or disposal of fungus(i) or spore(s) or any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(i) or spore(s);
  - f. Any supervision, instructions, recommendations, warnings or advice given, or which should have been given in connection with subparagraphs a. through e. above; or
  - g. Any obligation to indemnify or contribute with any party in connection with subparagraphs a. through f. above. For this exclusion fungus(i) includes, but is not limited to, any form or type of mold, mushroom or mildew and spore(s) include any reproductive body produced by or arising out of any fungus(i).
13. **Limits on Defense of Claims or Suit.** Notwithstanding any other provision of this policy, **we** will have no duty to investigate or defend any claim, suit, dispute, disagreement or other proceeding seeking relief or redress in any form other than money **damages**, including but not limited to costs, fees, fines, penalties or expenses which any **insured** may become obligated to pay as a result of a consent decree, settlement, adverse judgment for declaratory relief or injunctive relief. Such denial of investigation or defense includes, but shall not be limited to any claim, suit, dispute, disagreement or other proceeding:
- a. By or on behalf of any **named insured**, whether directly or derivatively, against:
    - (1) Any other **named insured**; or
    - (2) Any other federal, state or local governmental entity or political subdivision.
  - b. By the spouse, child, parent, brother or sister of any **insured** for consequential injury as a result of any injury to an **insured**; or
  - c. Involving any intergovernmental agreement where any **named insured** is a party to the agreement(s).
14. **Incidental Medical Liability.** This policy does not cover any claim arising out of the rendering of or failure to render the following professional health care services:
- a. Medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of food or beverages in connection therewith; or
  - b. Any professional medical service by a physician, except supervisory physicians as defined by Idaho Code § 6-902A (2) (b), and only when performing those duties as outlined in Idaho Code § 6-902A (2) (a).; or
  - c. Any professional medical service by a physician's assistant, nurse practitioner or nurse; or
  - d. Furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.
15. **Intentional Acts.** This policy does not cover any claim resulting from an act or omission intended or expected or deliberated on from the standpoint of any **insured** to cause **personal injury, bodily injury** or **property damage** to others or damage to **covered property**. This exclusion applies even if the **personal injury, bodily injury** or **property damage** is of a different kind or degree, or is sustained by a different person or property, than that intended or expected or deliberated on. This exclusion shall not apply to a claim resulting from the use of reasonable force to protect persons or property, or in the performance of a duty of the **insured**.

16. **Intergovernmental Claims.** This policy does not cover any claim alleging loss or damage arising or in any way related to a dispute or disagreement between an ICRMP member and another governmental entity, including another political subdivision, a state or the government of the United States involving any of the following:
  - a. Claims of loss or damage between an ICRMP member and another governmental entity wherein there has been no accident or allegation of actual **bodily injury** or property damage.
  - b. The respective authority of public agencies to use governmental powers, irrespective of the style or nature of such claim.
  - c. The respective duty of public agencies to use governmental powers, irrespective of the style or nature of such claim.
  - d. Intergovernmental disputes or disagreements concerning the exercise of powers or acceptance or assignment of duties by governmental entities to carry out public activities whether **damages** are claimed as a result of such dispute or disagreement, or not.
  - e. Claims in any way related to allocation of financial responsibilities between or among public agencies.
17. **Investigatory, Disciplinary or Criminal Proceedings.** This policy does not cover any claim arising from any investigatory, disciplinary or criminal proceeding against an **insured**, except that **we** may at **our** own option, associate counsel in the defense of any such investigatory, administrative or disciplinary proceeding. Should **we** elect to associate counsel, such election shall not constitute a waiver or estoppel of any rights **we** may have pursuant to the terms, conditions, exclusions and limitations of this policy.
18. **Lead.** This policy does not cover any claim caused by or contributed to by lead as described in parts a. through d. below:
  - a. **Bodily injury, property damage** or **personal injury** arising out of, resulting from, caused by or contributed to by the toxic or pathological properties of lead, lead compounds or lead contained in any materials;
  - b. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
  - c. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts a. or b. of this subsection above; or
  - d. Any obligation to share **damages** with or repay someone else who must pay **damages** in connection with parts a., b. or c. of this subsection.
19. **Miscalculation or Legality of Assessments.** This policy does not cover any claim Involving miscalculation or legality of assessments, adjustments, disbursements, fees, licenses or the collection of taxes, fines or penalties, including those imposed under the Internal Revenue Code or any state or local law, however described.
20. **Nuclear, Chemical and Biological Incident.** This policy does not cover a claim arising from:
  - a. Nuclear detonation, reaction, radiation, radioactive contamination or hazardous properties of nuclear material of any type, however caused or characterized, including any loss or damage by fire resulting therefrom;
  - b. The dispersal, application or release of, or exposure to, chemical or biological materials or agents that are harmful to property or human health, whether controlled or uncontrolled, or due to any act or condition incidental to any of the foregoing, whether such loss be proximate or remote, or be in whole or in part caused by, contributed to or aggravated by any physical loss or damage insured against by this policy, however such dispersal, application, release or exposure may have been caused.

21. **Opinion, Treatment, Consultation or Service.** This policy does not cover any claim based upon or attributable to the rendering or failure to render any opinion, treatment, consultation or service, if such opinion, treatment, consultation or service was rendered or failed to have been rendered while any **insured** was engaged in any activity for which they received compensation from any source other than as a public entity or an employee of a public entity.
22. **Pollution.** This is an absolute pollution exclusion. It is the intention of **you** and **we** that there is absolutely no coverage arising out of or relating to **pollutants**, however characterized or defined. This policy does not cover any injury, loss, damage, costs, fines, penalties or expenses of any kind directly or indirectly arising out of the actual, alleged or threatened existence, discharge, dispersal, release or escape of **pollutants** or negligence in any way related thereto:
- a. At or from **premises you** now, or in the past, have owned, rented or occupied, including but not limited to **premises** that **you** have operated or managed as an involuntary possessor; or
  - b. At or from any site or location used by or for **you** or others for the handling, storage, disposal, processing or treatment of waste at any time; or
  - c. That at any time involves the transportation, handling, storage, treatment, disposal or processing by or for **you** or any person or organization for whom **you** may be legally responsible:
    - (1) At or from any site or location on which **you** or any contractors or subcontractors working directly or indirectly on **your** behalf are performing operations; or
    - (2) If the **pollutants** are brought on or to the site or location in connection with such operations; or
    - (3) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **pollutants**;
  - d. Whether caused or alleged to have been caused by the **named insured** or any other person, entity or third-party, however characterized; or
  - e. Arising out of any direction, request or order of any governmental agency, court of law, or other authority, that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**, including any and all costs or attorney's fees associated therewith; or
  - f. Arising out of the failure of the **named insured** to prevent or regulate **pollutants** generated or caused by any other person, entity, or third-party, however characterized; and
  - g. This exclusion shall not apply to tear gas or mace as applied by law enforcement personnel within the scope of their duties.
23. **Professional Board.** This policy does not cover any claim for any **insured** arising out of the rendering of or failure to render services as a member of a formal accreditation or similar board or committee of an **insured**, or as a person charged with the duty of executing directives of any such board or committee or officer or director, or other official of any organization, other than the **named insured**. This exclusion does not apply if an **insured** is serving at the direction of or on behalf of the **named insured**, and is acting within the scope of their duties as such.
24. **Punitive Damages.** This policy does not cover any claim for exemplary or punitive **damages**, however characterized.
25. **Silica.** This policy does not cover any claim caused by or contributed to by silica as described in paragraphs a. and b. below:
- a. **Bodily injury, property damage, or personal injury** arising out of, resulting from, caused by, or contributed to by silica, exposure to silica or the use of silica, except for road or pedestrian way maintenance applications or operations;
  - b. Any **damages**, loss, cost or expense arising out of any:

- (1) claim or suit by or on behalf of any governmental authority or any other alleged responsible party because of, or request, demand, order or statutory or regulatory requirement that any covered party or any other person or entity should be, or should be responsible for:
    - (i) Assessing the presence, absence, amount or effects of silica;
    - (ii) Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, abating, disposing of or mitigating silica; or
    - (iii) Responding to silica in any way other;
  - (2) supervision, instructions, recommendations, warnings or advice given, or which should have been given in connection with any of the paragraphs a. or b. above; or
  - (3) obligation to share **damages** with or repay someone else in connection with any of the provisions of paragraphs a. or b. above.
26. **Terrorism.** This policy does not cover any claim by, through or as a consequence of acts of **terrorism**, whether followed by fire or other perils, and whether certified as **terrorism** or not by the United States government.
27. **Wages.** This policy does not cover any claim for back wages or legal penalties to which an employee is lawfully entitled for work performed, including any claim for wages, **damages**, liquidated damages or any other form of compensation, however characterized, pursuant to, or derived in any way, from an employer's responsibility to comply with the Fair Labor Standards Act or other state or federal statute directing the manner or amount of payment of compensation to employees.
28. **War or Civil Disturbance.** This policy does not cover any claim by, happening through or as a consequence of war, invasion, acts of foreign enemies, any weapon of war employing atomic fission or radioactive force whether in time of peace or war, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority unless such acts of destruction by order of civil authority are at the time of and for the purpose of preventing spread of fire; or claims or liability arising directly or indirectly from nuclear fission, nuclear fusion or radioactive contamination.
29. **Watercraft.** This policy does not cover any claim involving the ownership, maintenance or use, including loading and unloading, of watercraft over fifty (50) feet in length.
30. **Workers' Compensation and Other Benefits Laws.** This policy does not cover any claim to any obligation for which **you** may be held liable under any workers' compensation, unemployment compensation, disability benefits law, employer's liability, or under any similar federal, state or local law, ordinance, rule or regulation, however characterized, as well as any claim or suit by a spouse, child, parent or sibling of an **insured** as a consequence of **personal injury** to an **insured**.



## SECTION V – PROPERTY INSURANCE

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### A. Insuring Agreements Applicable to Property Insurance

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the below listed insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Buildings, Structures and Property.** We agree to pay *you*, or on *your* behalf, for an **occurrence** of direct accidental physical loss of or direct accidental physical damage to ***your covered property***, provided such loss or damage occurs during the policy period specified in the declaration pages.
2. **Mobile Equipment and Automobile Physical Damage.** We agree to pay *you*, or on *your* behalf, for an **occurrence** of direct accidental physical loss of or direct accidental physical damage to any ***automobile or mobile equipment*** owned by *you*, or any ***automobile or mobile equipment*** for which *you* have an obligation to provide adequate insurance because of an ownership or possessory interest, provided such loss or damage occurs during the policy period specified in the declaration pages.

### B. Definitions Applicable to Property Insuring Agreements

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. **"Actual Cash Value"** means the cost of replacing damaged or destroyed ***covered property*** with comparable new property, minus depreciation and obsolescence.
2. **"Computer System"** means a system of computer hardware, software, and associated electronic devices that *you* operate or own.
3. **"Earth Movement"** means any natural or man-made earth movement, earthquakes, seaquakes, shocks, tremors, seismic events, landslides, submarine landslides, avalanches, subsidence, sinkhole collapse, mud flow, rock fall, volcano, lava flow or any other similar earth movement, sinking, rising or shifting
4. **"Flood"** means a temporary condition of partial or complete inundation of normally dry land from:
  - a. The overflow of inland or tidal waters outside the normal watercourse or natural boundaries;
  - b. The overflow, release, rising, backup, runoff or surge of surface water; or
  - c. The unusual or rapid accumulation or runoff of surface water from any source.
5. **"Functional Replacement Cost"** means the cost of replacing damaged ***covered property*** with similar property that will perform the same function but may not be identical to the damaged ***covered property***.
6. **"Occurrence"** means any one loss, disaster, casualty or series of losses, disasters or casualties, arising out of one event. When the term applies to loss or losses from the perils of tornado, cyclone, hurricane, windstorm, snow or ice storm, named storm, hail, volcanic eruption, riot, riot attending a strike, civil commotion, and vandalism and malicious mischief one event shall be construed to be the cause of all losses arising during a continuous period of 72 hours. When filing a loss, *you* may elect the moment at which the 72-hour period shall be deemed to have commenced, which shall not be earlier than the first loss to the ***covered property*** occurs.
7. **"Operational Disruption Expense"** means costs incurred by the ***named insured*** in order to continue as nearly as practicable the normal operation of *your* public entity immediately following a covered loss. This includes the loss of any income, net of expenses, incurred during the ***period of restoration*** of the operation of the public entity.
8. **"Period of Restoration"** means that period of time that begins with the date of the direct physical loss of or direct physical damage to ***covered property*** and ends with the date when such part of the ***covered property*** as has been lost or damaged could, with the exercise of *your* due diligence or dispatch, be rebuilt, or replaced.

9. “**Replacement Cost**” means the cost to repair, rebuild or replace with new materials of like kind, size and quality, without deduction for depreciation.
10. “**Schedule of Values**” means those records describing **covered property** as entered into the ICRMP database by the member’s agent and kept on file with **us**.

**C. Specific Conditions Applicable to Property Insuring Agreements**

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **Appraisal.** If **you** and **we** fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser, and notify the other of the appraiser's identity within twenty-one (21) days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within fourteen (14) days, **you** or **we** can ask a district judge in the State of Idaho to select an umpire. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within fourteen (14) days, they shall submit their differences to the umpire. Written agreements signed by any two of these three shall set the amount of the loss within seven (7) days. Any such decision resulting from the appraisal process shall be final and binding upon **you** and **us** and shall not be subject to judicial review or appeal, except upon a showing of fraud, misrepresentation or other undue means. Each appraiser, and related expenses, shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation and expenses of the umpire shall be shared equally by **you** and **us**.
2. **Automobiles and Mobile Equipment that are Leased or Rented.** **Automobiles** and **mobile equipment** that are leased or rented to an **insured**, for less than ninety (90) days, and used for official business, are covered under Insuring Agreement 2, and are not required to be listed on the **schedule of values**.
3. **Automobiles or Mobile Equipment Owned by Employees or Authorized Volunteers.** **Automobiles** or **mobile equipment** owned by employees or authorized volunteers of the **named insured** are provided secondary physical damage insurance while the **automobiles** or **mobile equipment** are being used by the employee or authorized volunteers on official business of the **named insured**. Insurance provided by this condition shall be deemed secondary to the insurance of the employee or authorized volunteers' personal insurance, which shall be primary insurance. The intent of this special condition shall not be interpreted to extend insurance to **automobiles** owned by other public or private entities, which are made available to **you, your** employees or volunteers. For these non-owned **automobiles**, the terms and conditions already contained in this section shall apply. This condition does not apply to **automobiles** or **mobile equipment** owned by authorized volunteers engaged in search and rescue activities. Insuring Agreement 2 is intended to provide primary insurance for search and rescue volunteers only when actively participating in search and rescue mobilizations initiated by the **named insured**.
4. **Civil Authority.** **Covered property** under this section is covered against damage or destruction by civil authority during a conflagration and for the purpose of retarding the same; provided that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, revolution, rebellion, insurrection, **terrorism** or other hostilities or warlike operations.
5. **Debris Removal.** This section covers up to 25% of the amount of damage to **covered property** otherwise payable for any one **occurrence** under Insuring Agreement 1 for expenses of removing debris remaining after any loss thereby insured against, except that there shall be no liability for the expense of removal of any foundations, unless damaged by a covered **accident**.

6. **Demolition and Increased Cost of Construction.** In the event of direct physical loss or damage covered under this section that results in the enforcement of any law, ordinance, governmental directive or standard in effect at the time of the loss or damage regulating the construction, repair or use and occupancy of the **covered property**, **we** will pay up to \$10,000,000 per **occurrence**:
- For the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building;
  - For the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged **covered property**;
  - For the increased cost of repair or replacement of the damaged building and undamaged part of the same building, limited to the cost that would have been incurred in order to comply with the minimum requirements of such law or ordinance regulating the repair or replacement of the damaged building.
  - We** will not pay for increased costs of construction unless the damaged building is actually rebuilt or replaced within twenty-four (24) months of the date of loss.
  - We** will not pay for increased costs or construction that **you** were required to comply with before the loss, even if the building was undamaged and **you** failed to comply with such ordinance or law;
  - We** will not pay for the enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of **covered property** due to contamination by **pollutants**.
7. **Drones.** We will pay up to \$50,000 per **occurrence** for physical damage to **drones** weighing less than 50 pounds and incapable of travelling more than 100 miles per hour.
8. **Earth Movement. Flood** as defined in this section, that would not have occurred but for an **earth movement** as described, shall be deemed to be proximately caused solely by **earth movement** regardless of any other cause or event that contributes concurrently or in any sequence to such **flood**, and consequently shall be considered **earth movement**.
9. **Flood.** When a loss is caused by **flood** under this section, **we** will pay only that part of the loss that exceeds the applicable deductible amount. The deductible regarding a loss caused by **flood** is as follows:
- Flood Type A: The first \$25,000 of each loss for buildings listed in the **schedule of values** subject to the aggregate as expressed in the declaration pages of this policy. Flood Type A excludes structures located wholly or partially within Special Flood Hazard Areas (SFHA), or areas of one hundred (100) year flooding, as defined by the Federal Emergency Management Agency (FEMA).
  - Flood Type B: The first \$500,000 of each building and the first \$500,000 of the contents amount listed for each building in the **schedule of values** subject to the aggregate as expressed in the declaration pages of this policy. Flood Type B applies to structures located wholly or partly within Special Flood Hazard Areas (SFHA), or areas of one hundred (100) year flooding, as defined by the Federal Emergency Management Agency (FEMA).
10. **Inadvertently Omitted Property:** **We** will pay up to the first \$500,000 of the repair or **functional replacement cost**, whichever is less, for property inadvertently omitted from **your schedule of values**. Additionally, for any inadvertently omitted property valued in excess of \$500,000, up to a total of \$1,000,000 in the aggregate, annually, **we** will pay 50% of the **functional replacement cost**, whichever is less.
11. **Landscaping Items.** **We** will pay for damage to **your** outdoor trees, shrubs, plants or harvested crops as a result of an **accident**. The most **we** will pay in any one **occurrence** is \$25,000.
12. **Newly Acquired Property:** All newly acquired property shall be reported to **us** within one hundred twenty (120) days in order for coverage to continue and shall be limited to \$10,000,000 until such time as reported to **us**, but no longer than one hundred twenty (120) days after acquisition.

13. **Operational Disruption Expense.** *We* agree to pay *you* or on *your* behalf **operational disruption expense** resulting from damage to **covered property** arising out of a covered loss under Insuring Agreement 1 during the **period of restoration**. The maximum amount *we* will pay for **operational disruption expenses** for any one **occurrence** or in the aggregate for multiple **occurrences** is \$250,000 for damages involving actual interruption of the use of **your computer system** when caused by a covered loss, provided that the disruption is directly caused by damage to **your computer system**. The maximum amount *we* will pay for all other covered operational disruptions is \$4,000,000 for any one **occurrence**.
14. **Preservation of Property.** If it is necessary to move **covered property** from the described **premises** to preserve it from loss or damage by a covered cause of loss, *we* will pay up to \$250,000 per **occurrence** for direct physical loss or damage to that **covered property** while it is being moved or while temporarily stored at another location.
15. **Professional Fees.** This policy is extended to cover reasonable and necessary expenses incurred by *you* for architects, engineers or other necessary design professionals who assist *you* in rebuilding from *your* loss under this section. Professional fees are limited to a maximum of \$1,000,000 per **occurrence**.
16. **Property of Others.** Employee or volunteer-owned personal property located within **covered property** is covered up to a per **occurrence** limit of \$50,000. Coverage provided shall be secondary to any primary coverage available to employees or volunteers.
17. **Property in the Course of Construction.** New construction of buildings or repairs or renovations of existing buildings that you have an insurable interest in at the time of the loss, including equipment, machinery, tools, materials or supplies intended for use in the construction of such **covered property** shall be covered up to \$2,000,000 for each building as listed per the **schedule of values**.
18. **Property in Transit.** This section covers **covered property**, while being transported by *you*, up to a per **occurrence** and/or in the aggregate limit of \$1,000,000 per policy period.
19. **Schedule of Values.** Except for **automobiles**, other **covered property** need not be identified in the **schedule of values** if the value of the individual item is less than \$100,000. It is *your* responsibility, working with *your* independent insurance agent, to verify all **covered property** valued over \$100,000 is listed on *your schedule of values*. Further, items you list on the **schedule of values**, but excluded by the language within this policy, are not covered.
20. **Vacant or Unoccupied Property.** *We* do not cover losses under the property insuring agreements of this section resulting directly or indirectly from any loss to **covered property**, other than wind or fire damage to **covered property**, which has been vacant or unoccupied for more than one hundred twenty (120) consecutive days, including the date of the loss. A building is considered vacant or unoccupied when it does not contain enough property to conduct its customary business operations. However, it does not include any time when customary activities are suspended due to circumstances that are usual to the building's occupancy.
21. **Valuable Papers and Records.** In the event of a covered loss under Insuring Agreement 1, *we* agree to pay *you*, or on *your* behalf, for direct accidental physical loss of or direct accidental physical damage to valuable papers and electronic data following damage to **covered property**. This condition applies to the costs to research, replace, or restore records which exist on electronic or magnetic media for which duplicates do not exist. The maximum amount *we* will pay for any one **occurrence** or in the aggregate for multiple **occurrences** is \$500,000 to restore data lost by *you* for an actual interruption of the use of **your computer system** when caused by a covered loss. This includes retrieving, repairing, restoring or replacing any of **your computer system** or any other data media, media material or any other computer programs for which *you* are responsible provided the claim results from a network breach, malicious code or accidental damage to **your computer system**. The maximum amount *we* will pay for all other losses to valuable papers and records is \$1,000,000 for any one **occurrence**.
22. **Valuation of Loss.** *We* agree to pay as follows:
  - a. Buildings and structures: *We* shall not pay for loss or damage in excess of 125% of the stated total value per location as reported in the **schedule of values**, which *you* have submitted to *us* in accordance with the conditions described below:

(1) If damage or destruction to **covered property** is not repaired, rebuilt or replaced on the same or another site within two (2) years after the loss or damage, **we** shall not pay for more than the **actual cash value** as of the date of loss (ascertained with proper deduction for depreciation) of the **covered property** destroyed.

(2) **Our** total payment for loss of **covered property** covered herein shall not exceed the least of the following:

(i) The cost to repair;

(ii) The cost to rebuild or replace, calculated as of the date of the loss, on the same site, with materials that are functionally equivalent; or

(iii) The actual expenditure incurred in rebuilding, repairing or replacing on the same or another site.

(3) If the building was vacant or unoccupied as outlined by Condition #20 above, **we** will only pay actual cash value of the building.

b. Building Contents: **We** agree to pay **replacement cost** of damaged or destroyed **covered property** only when building contents are actually replaced. If building contents are not replaced within twenty-four (24) months from the date of the loss, **we** will only pay **actual cash value** of the content items.

c. **Automobile and mobile equipment**: We agree to pay **functional replacement cost** for vehicles and **mobile equipment**, up to a maximum of \$1,000,000 per item and no more than \$10,000,000 in the aggregate for multiple items while not in use.

d. Stock in process: We agree to pay at the value of raw material and labor expended plus the proper proportion of overhead charges.

e. Finished goods manufactured by **you**. We agree to pay at the regular cash-selling price at the location where the loss occurs, less all discounts and charges to which the **covered property** would have been subject had no loss occurred.

f. Property of others: We agree to pay at the amount for which **you** are liable to others, but in no event to exceed the **replacement cost** value of the property. Those property items deemed as fine art on display will be paid at the appraised value but not to exceed \$1,000,000 per **occurrence**.

g. Leased buildings, leasehold improvements and betterments at **replacement cost**, if actually replaced within two (2) years after the loss or damage; if not replaced, at **actual cash value**.

h. Accounts, manuscripts, mechanical drawings and other records and documents not specifically excluded will be paid at value plus cost of transcribing.

i. Fine arts: We agree to pay at the appraised value of the article to a maximum of \$1,000,000 per **occurrence** or in the aggregate for multiple **occurrences**.

23. **Water Backup through Sewer or Drain**. **We** provide coverage for direct physical loss to **your** buildings and their related contents when damage is caused by water which backs up through sewers or drains, not related to a **flood**, up to a maximum of \$1,000,000 per **occurrence**.

#### **D. Exclusions Applicable to Property Insuring Agreements**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **With Regard to all property, we do not cover losses under the Property Insuring Agreements of this section resulting directly or indirectly from:**

a. Loss or damage more specifically covered under any other section of this policy.

- b. Moths, vermin, termites, or other insects; inherent vice; latent defect; wear, tear or gradual deterioration; and contamination, rust, wet or dry rot, mold, dampness of atmosphere, acid rain, smog or variations of temperature.
  - c. Settling, shrinkage or expansion of building or foundation, except if damage to **covered property** is caused by **earth movement** or **flood**.
  - d. Loss of use, delay or loss of markets or opportunity.
  - e. Breakdown or derangement of any machinery, unless an insured peril ensues, and then only for the actual loss or damage caused by such ensuing peril.
  - f. Electrical appliances, devices, fixtures or wiring caused by artificially generated electrical current, unless fire or explosion ensues, and then only for the actual loss or damage caused by such ensuing fire or explosion.
  - g. Inventory shortage, including mysterious disappearance or loss resulting from any kind of infidelity or dishonesty by **you** or any of **your** employees, whether alone or in collusion with others.
  - h. Any fraudulent, dishonest or criminal act related to theft of cash, securities, or other negotiable instruments, however described, by any employee or authorized representative of an **insured** while acting alone or in collusion with others.
2. **With Regard to Buildings and Structures, we do not cover losses under the Property Insuring Agreements of this section resulting directly or indirectly from:**
- a. Settling, cracking, bulging, shrinking or expansion of any paved surfaces, foundations, walls, floors, ceilings or roofs, unless one or more of the walls or roofs of the building or structure are physically broken and falls to a lower level, except if damage is caused by a covered **accident**, or if damage to **covered property** is caused by **earth movement** or **flood**.
  - b. Extremes or changes of temperature (except to water piping or space heating equipment due to freezing) or changes in relative humidity, regardless of whether or not atmospheric, except if damage to **covered property** is caused by **earth movement** or **flood**.
  - c. Any increase of loss due to interference with rebuilding, repairing or replacing a building, or with the resumption or continuation of business.
  - d. Any increase of loss due to the suspension, lapse or cancellation of any lease, license, contract or order.
  - e. Loss or damage to **covered property** caused by or resulting from errors in design or testing of that **covered property**, except resultant physical loss or damage to other **covered property** insured by this section.
  - f. The repair or replacement of faulty or defective workmanship, material or construction, except resultant physical loss or damage to other **covered property** insured by this section.
3. **With Regard to Property in Course of Construction, we do not cover losses under the Property Insuring Agreements of this Section resulting directly or indirectly from:**
- a. The repair or replacement of faulty or defective workmanship, material or construction, except resultant physical loss or damage to other **covered property** insured by this section.
  - b. Penalties for non-completion of, or delay in, completion of contract or non-compliance with contract conditions, nor for loss of use of occupancy, however caused.

4. **With Regard to specific types of property, we do not cover physical loss or physical damage to the following property:**

- a. All animals and birds, except **your** service animals. For **your** service animals, **our** liability for such loss shall not exceed \$25,000 per **occurrence**, for injury, sickness or death.
- b. Land and water.
- c. **Aircraft**.
- d. Retaining walls not constituting part of a building when loss is caused by ice or water pressure.
- e. Underground mines and mining property located below the surface of the ground.
- f. Any property undergoing insulation breakdown tests.
- g. Money, notes or securities.
- h. Jewelry, furs, precious metals or precious stones.
- i. Dams, canals, ditches, retaining ponds and all liners or other membranes designed to separate, retain or hold water, sewage, trash, dirt, debris or any other material.
- j. Roadways, highways, streets, bridges, guardrails, parking lots, curbs, sidewalks, pathways, pedestrian walkways or other transportation conveyance infrastructure, however characterized.
- k. Underground pipes.
- l. Any **mobile equipment, automobile**, watercraft or other property while participating in any prearranged or organized racing, speed or demolition contest or in any stunting activity, including practice or preparation for any such contest or activity.
- m. Overhead transmission and distribution lines, including wire, cables, poles, pylons, standards, towers or other supporting structures which may be attendant to the transmission and/or distribution of electrical power and/or telephone communications; but this exclusion shall not apply to such property which is owned by **you**, serves **your** structures and located on or within one thousand (1,000) feet of **your** structures listed on the **schedule of values**.
- n. Data or fiber optic transmission lines and conduit not contained within walls of **covered property**.

## SECTION VI – MACHINERY BREAKDOWN INSURANCE

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### A. Insuring Agreements Applicable to Machinery Breakdown Insurance

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the below listed insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Property Damage.** *We* agree to pay for direct damage to **covered property** caused by a **covered cause of loss** related to **breakdown** of machinery as listed in the **schedule of values** kept on file with *us*.
2. **Expediting Expenses.** With respect to direct damage to **covered property**, *we* agree to pay for the extra cost *you* necessarily incur to make temporary repairs and expedite the permanent repairs or replacement of the damaged property.
3. **Business Income and Extra Expense.** *We* agree to pay *your* actual loss of **business income** during the **period of restoration** and **extra expense you** necessarily incur to operate *your* entity during the **period of restoration**. *We* will consider the operations of *your* entity before the **breakdown** and the probable experience *you* would have had without the **breakdown** in determining the amount of *our* payment.
4. **Perishable Goods/Spoilage Damage.** *We* agree to pay for the spoilage damage to raw materials, property in process or finished products, provided conditions are met that are outlined further in this section. *We* will also pay any necessary expenses *you* incur to reduce the amount of loss under this Insuring Agreement. *We* will pay such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this form.
5. **Service Interruption.** *We* agree to pay for losses resulting from the interruption of utility services to *your* covered **property** provided conditions are met that are outlined further in this section.
6. **Newly Acquired Premises.** *We* agree to provide insurance for **covered property** at newly acquired **premises you** have purchased or leased. This insurance begins at the time *you* acquire the property and continues for a period not exceeding one hundred twenty (120) days under conditions set forth below.
7. **Ordinance or Law.** *We* agree to pay for increases in loss as necessitated by the enforcement of any laws or ordinances that are in force at the time of the **breakdown**, which regulate the demolition, construction, repair or use of the building or structure.
8. **Errors and Omissions.** *We* agree to pay for any loss or damage, which is not otherwise payable under this Insuring Agreement, solely because of any error or unintentional omission in the description or location of property as insured under this Insuring Agreement or in any subsequent amendments, any failure through error to include any **premises** owned or occupied by *you* at the inception date of this Insuring Agreement, or any error or unintentional omission by *you* that results in cancellation of any **premises** insured under this policy.

### B. Definitions Applicable to Machinery Breakdown Insuring Agreements

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. **"Breakdown":**
  - a. Means the direct physical loss that causes damage to **covered equipment** and necessitates its repair or replacement, unless such loss or damage is otherwise excluded within this section:
    - (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
    - (2) Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
    - (3) Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by *you*, or operated under *your* control;



- (4) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
  - (5) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment; or
  - (6) Failure of pressure or vacuum equipment.
- b. Does not mean or include:
- (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
  - (2) Defects, erasures, errors, limitations or viruses in computer equipment and programs including the inability to recognize and process any date or time or provide instructions to **covered equipment**;
  - (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
  - (4) Damage to any vacuum tube, gas tube or brush;
  - (5) Damage to any structure or foundation supporting the **covered equipment** or any of its parts;
  - (6) The functioning of any safety or protective device; or
  - (7) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.
2. **“Business Income”** means the:
- a. Net income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses incurred, including payroll.
3. **“Business Income Actual Annual Value”** means the sum of the net income and continuing normal operating expenses incurred, including payroll that would have been earned had the **breakdown** not occurred.
4. **“Business Income Estimated Annual Value”** means the sum of the net income and continuing normal operating expenses incurred, including payroll as estimated by **you** in the most recent report of values on file with **us**.
5. **“Computer Equipment”** means:
- a. **Your** programmable electronic equipment that is used to store, retrieve and process data; and
  - b. Associated peripheral equipment that provides communication, including input and output functions such as printing or auxiliary functions such as data transmission.
  - c. It does not include **data or media**.
6. **“Covered Cause of Loss”** means a **breakdown** to **covered equipment**.
7. **“Covered Equipment”**:
- a. Means and includes any:
    - (1) Equipment built to operate under internal pressure or vacuum other than weight of contents;
    - (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy;
    - (3) Communication equipment and **computer equipment**; and
    - (4) Equipment in paragraphs (1), (2) and (3) that is owned by a public or private utility and used solely to supply utility services to **your** premises. However, if Insuring Agreement A. 5. Service Interruption is provided, then this does not apply.
  - b. Does not mean or include any:
    - (1) **Media**;
    - (2) Structure, foundation, cabinet or compartment supporting or containing all or part of the **covered equipment** including penstock, draft tube or well casing;
    - (3) Insulating or refractory material, but not excluding the glass lining of any **covered equipment**;
    - (4) Equipment or any part of such equipment manufactured by **you** for sale;
    - (5) Catalyst;
    - (6) Vessels, piping and other equipment that is buried below ground and requires the excavation of materials to inspect, remove, repair or replace;
    - (7) Nonmetallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or another appropriate and approved code;

- (8) Vehicle, **aircraft**, self-propelled equipment or floating vessel, including any **covered equipment** that is mounted upon or solely with any one or more vehicle(s), **aircraft**, self-propelled equipment or floating vessel;
- (9) Dragline, excavation or construction equipment including any **covered equipment** that is mounted upon or solely used with any one or more dragline(s), excavation, or construction equipment;
- (10) Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, nonelectrical cable, chain, belt, rope, clutch plate, brake pad or nonmetal part or any part or tool subject to periodic replacement; or
- (11) Machine or apparatus used solely for research, diagnosis, medication, surgical, therapeutic, dental or pathological purposes including any **covered equipment** that is mounted upon or solely used with any one or more machines or apparatus.

8. **“Covered Property”** means:

- a. Property **you** own; or
- b. Property in **your** care, custody or control and for which you are legally liable.

9. **“Data”** means:

- a. Programmed and recorded material stored on **media**; and
- b. Programming records used for electronic data processing or electronically controlled equipment.

10. **“Extra Expense”** means the net additional cost **you** incur to operate **your** business during the **period of restoration** over and above the cost that **you** normally would have incurred to operate the business during the same period had no **breakdown** occurred.

11. **“Hazardous Substance”** means any substance other than ammonia that has been declared to be hazardous to health by a government agency.

12. **“Media”** means electronic data processing or storage media such as films, tapes, discs, drums or cells.

13. **“One Breakdown”** means if an initial **breakdown** causes other **breakdowns**, all will be considered **one breakdown**. All **breakdowns** at any one **premises** that manifest themselves at the same time and are the direct result of the same cause will be considered **one breakdown**.

14. **“Period of Restoration”** means the period of time that:

- a. Begins at the time of the **breakdown** or 24 hours before **we** receive notice of **breakdown** whichever is later; and
- b. Ends (5) five consecutive days after the date when the damaged property is repaired or replaced with reasonable speed and similar quality.

15. **“Schedule of Values”** means those records describing **covered property** as entered into the ICRMP database by the member’s agent and kept on file with **us**.

16. **“Stock”** means merchandise held in storage or for sale, raw materials, property in process or finished products, including supplies used in their packing or shipping.

**C. Specific Conditions Applicable to Machinery Breakdown Insuring Agreements**

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **With Respect to Insuring Agreement 1 – Property Damage:**

- a. **Covered Property.** Except for **automobiles**, other **covered property** need not be identified in the **schedule of values** if the value of the individual item is less than \$100,000. It is **your** responsibility, working with **your** independent insurance agent, to verify all **covered property** valued over \$100,000 is listed on **your schedule of values**. Further, items you list on the **schedule of values**, but excluded by the language within this policy, are not covered.

2. **With Respect to Insuring Agreement 3 – Business Income and Extra Expense:**

- a. **Damaged Media or Damaged Data.** If *media* are damaged or *data* are lost or corrupted, **we** will pay **your** actual loss of *business income* and/or *extra expense* during the time necessary to:
  - (1) Research, replace or restore the damaged *media* or lost or corrupted *data*; and
  - (2) Reprogram instructions used in any covered *computer equipment*.
- b. There shall be no coverage for any *media* or *data* that **we** determine is not or cannot be replaced or restored.
- c. **We** will pay the lesser of **your** actual loss of *business income* and/or *extra expense* for up to 30 days after the *period of restoration* up to a maximum of \$25,000.

3. **With Respect to Insuring Agreement 4 – Perishable Goods/Spoilage Damage:**

- a. The raw materials, property in process or finished products must be in storage or in the course of being manufactured;
- b. **You** must own or be legally liable under written contract for the raw materials, property in process or finished products; and
- c. The spoilage damage must be due to the lack or excess of power, light, heat, steam or refrigeration.

4. **With Respect to Insuring Agreement 5 – Service Interruption:**

- a. The interruption is the direct result of a *breakdown to covered equipment* owned, operated or controlled by the local private or public utility or distributor that directly generates, transmits, distributes or provides utility services which **you** receive;
- b. The *covered equipment* is used to supply electric power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam to **your premises**; and
- c. The interruption of utility service to **your premises** lasts at least the consecutive period of time of twenty-four (24) hours. Once this waiting period is met, coverage will commence at the initial time of the interruption and will be subject to all applicable deductibles.

5. **With Respect to Insuring Agreement 6 – Newly Acquired Premises:**

- a. **You** must inform **us**, in writing, of the newly acquired *premises* as soon as practicable; and
- b. The coverage for these *premises* will be subject to the same terms, conditions, exclusions and limitations as other insured *premises*.

6. **With Respect to Insuring Agreement 7 – Ordinance or Law:**

- a. **We will pay for:**
  - (1) The loss in value of the undamaged portion of the building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of undamaged parts of the same building or structure;
  - (2) **Your** actual cost to demolish and clear the site of the undamaged parts of the same building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of such undamaged property; and
  - (3) The increased cost actually and necessarily expended to:

- (i) Repair or reconstruct the damaged or destroyed portions of the building or structure; and
- (ii) Reconstruct or remodel the undamaged portion of that building or structure with buildings or structures of like materials, height, floor area, and style for like occupancy, whether or not demolition is required on:
  - (1) The same **premises** or on another **premises** if **you** so elect. However, if **you** rebuild at another **premises**, the most **we** will pay is the increased cost of construction that **we** would have paid to rebuild at the same **premises**; or
  - (2) Another **premise** if the relocation is required by the ordinance or law. The most **we** will pay is the increased cost of construction at the new **premises**.

b. **We will not pay for:**

- (1) Demolition or site clearing until the undamaged portions of the buildings or structures are actually demolished;
- (2) Increase in loss until the damaged or destroyed buildings or structures are actually rebuilt or replaced and approved by the regulating government agency;
- (3) Loss due to any ordinance or law that:
  - (i) **You** were required to comply with before the loss, even if the building was undamaged; and
  - (ii) **You** failed to comply with such ordinance or law;
- (4) Increase in the loss, excess of the amount required to meet the minimum requirement of any ordinance or law enforcement at the time of the **breakdown**; or
- (5) Increase in loss resulting from a substance declared to be hazardous to health or environment by any government agency;
- (6) Loss or expense sustained due to the enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to the presence, growth, proliferation, spread or any activity of fungus or wet or dry rot; or
- (7) Costs associated with the enforcement of or compliance with any ordinance or law which requires the insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to assess the effects of fungus or wet or dry rot.

c. **If**

- (1) The building or structure is damaged by a **breakdown** that is covered under this policy and there is other physical damage that is not covered under this policy and the building damage in its entirety results in enforcement of ordinance or law, then **we** will not pay the full amount of the loss under this section. Instead, **we** will pay only that proportion of such loss that the covered **breakdown** loss bears to the total physical damage.
- (2) But if the building or structure sustains direct physical damage that is not covered under this section and such damage is the subject of the enforcement of ordinance or law, then there is no ordinance or law coverage under this section even if the building has also sustained damage by a covered **breakdown**.

6. **With Respect to Insuring Agreement 8 – Errors and Omissions:**

- a. No insurance is provided as a result of any error or unintentional omission by **you** in the reporting of values or the coverage **you** requested.

- b. It is a condition of this policy that such errors or unintentional omissions shall be reported and corrected when discovered. The policy member contribution will be adjusted accordingly to reflect the date the **premises** should have been added had no error or omission occurred.

7. **With Respect Limits of Insurance:**

- a. The most **we** will pay for any and all Insuring Agreements for loss or damage from any **one breakdown** is the applicable limits of indemnification shown in the declarations pages. Any payment made will not be increased if more than one **insured** is shown in the declarations pages. For each Insuring Agreement listed, if:
  - (1) A limit is shown in the declarations pages, the Limits of Indemnification is part of, not in addition to, the limit per **breakdown**.
  - (2) A limit is shown in the declarations pages, **we** will not pay more than the limit of indemnification for each such Insuring Agreement.

**D. Exclusions Applicable to Machinery Breakdown Insuring Agreements**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

- 1. **We** will not pay for loss or damage caused directly or indirectly by any of the following items. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. The exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.
  - a. Increase in loss from the enforcement of any ordinance, law, rule, regulation or ruling which restricts or regulates the repair, replacement, alteration, use, operation, construction, installation, clean-up or disposal of **covered property**;
  - b. However, the words “use” and “operation” shall be eliminated as respects to a covered breakdown to electrical supply and emergency generating equipment located on the premises of a hospital;
  - c. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, overflow earth sinking, tsunami or volcanic action;
  - d. Flood, surface water, mudslide, overflow, waves, tides, tidal waves, overflow of any body of water, or their spray from any of these, all whether or not driven by wind including storm surge;
  - e. Water back up or overflow or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
  - f. Water damage caused by the discharge or leakage of a sprinkler system or domestic water piping;
  - g. Water under the ground surface pressing on, or flowing or seeping through:
    - (1) Foundations, walls, floors or paved surfaces;
    - (2) Basements, whether paved or not;
    - (3) Doors, windows or other openings; or
  - h. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph d., e., or f., or material carried or otherwise moved by mudslide or mudflow. This exclusion applies, regardless of whether any of the above, in Paragraph d. through f., is caused by an act of nature or is otherwise caused.

- i. Nuclear reaction or radiation, or radioactive contamination, however caused.
- j. War, including undeclared or civil war; 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 insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
- k. Explosion. However, **we** will pay for loss or damage caused by an explosion of **covered equipment** of a kind of specified in 1 – 7 below, if not otherwise excluded in this section:
  - (1) Steam boiler;
  - (2) Electric steam generator;
  - (3) Steam piping;
  - (4) Steam turbine;
  - (5) Steam engine;
  - (6) Gas turbine;
  - (7) Moving or rotating machinery when such explosion is caused by centrifugal force or mechanical **breakdown**;
  - (8) Fire or combustion explosion including those that result in a **breakdown**;
  - (9) Occur at the same time as a **breakdown**; or
  - (10) Ensurue from a **breakdown**.
- l. Explosion within the furnace of a chemical recovery type boiler or within the passage from the furnace to the atmosphere.
- m. Breakage of glass, falling objects, weight of snow, ice or sleet, freezing caused by cold weather, collapse; or molten material.
- n. Water or other means used to extinguish a fire, even when the attempt is unsuccessful.
- o. Depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions. But if loss or damage from a **breakdown** results, **we** will pay the resulting loss or damage.
- p. Lightning, windstorm or hail, smoke, **aircraft** or vehicles, riot or civil commotion, vandalism, or sprinkler leakage.
- q. Damage to **covered equipment** undergoing a pressure or electrical test.
- r. A **breakdown** that is caused by any of the following causes of loss if coverage for that cause of loss is provided by another policy of insurance **you** have, whether collectible or not:
  - (1) Aircraft or vehicles;
  - (2) Freezing caused by cold weather;
  - (3) Lightning
  - (4) Sinkhole collapse;
  - (5) Smoke;
  - (6) Riot, civil commotion or vandalism; or
  - (7) Weight of snow, ice or sleet.
- s. A **breakdown** that is caused by windstorm or hail.
- t. A delay in, or an interruption of, any business, manufacturing or processing activity, except as provided by the business income and extra expense, and service interruption Insuring Agreements;
- u. With respect to business income and extra expense and Service Interruption Insuring Agreements, the following additional exclusions shall apply:
  - (1) The business that would not or could not have been carried on if the **breakdown** had not occurred;
  - (2) **Your** failure to use due diligence and dispatch and all reasonable means to operate **your** business as nearly normal as practicable at the **premises** shown in the **schedule of values**; or
  - (3) The suspension, lapse or cancellation of a contract following a **breakdown** extending beyond the time business could have resumed if the contract had not lapsed, been suspended or canceled.
- v. Any direct loss following a **breakdown** to **covered equipment** that results from the lack or excess of power, light, heat, steam or refrigeration except as provided by the business income and extra expense, perishable goods/spoilage damage and service interruption Insuring Agreement.

- w. With respect to Service Interruption Insuring Agreement, any loss resulting from the following additional causes of loss whether or not coverage for that cause of loss is provided by another policy **you** have:
- (1) Acts of sabotage;
  - (2) Collapse;
  - (3) Deliberate acts of load shedding by the supplying utility;
  - (4) Freezing caused by cold weather;
  - (5) Impact of **aircraft**, missile or vehicle;
  - (6) Impact of objects falling from an **aircraft** or missile;
  - (7) Lightning;
  - (8) Riot, civil commotion or vandalism;
  - (9) Sinkhole collapse;
  - (10) Smoke; or
  - (11) Weight of snow, ice or sleet.
- x. Any indirect result of a **breakdown** to **covered equipment** except as provided by the business income and extra expense, perishable goods/spoilage damage and service interruption Insuring Agreements.
- y. Neglect by **you** to use all reasonable means to save and preserve **covered property** from further damage at and after the time of the loss.

## SECTION VII - CRIME INSURANCE

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### A. Insuring Agreements Applicable to Crime Insurance

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the below listed insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Employee Dishonesty or Fraud.** We agree to pay the **named insured**, or on its behalf, for loss of money, securities and other financial instruments or theft of **your** property by an **employee** sustained by the **named insured** resulting directly from one or more **dishonest or fraudulent acts** committed by an **employee** of the **named insured**, acting alone or in collusion with others.
2. **Loss Inside the Premises.** We agree to pay the **named insured**, or on its behalf, for loss of money and securities of the **named insured** by the actual destruction, disappearance or **wrongful taking** within the **premises**.
3. **Loss Outside the Premises.** We agree to pay the **named insured**, or on its behalf, for loss of money and securities of the **named insured** by the actual destruction, disappearance or **wrongful taking** thereof, outside the **premises** while being conveyed by a **messenger** or any armored motor vehicle company.

### B. Definitions Applicable to Crime Insuring Agreements

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. "**Dishonest or Fraudulent Acts**" means acts committed by an **employee** of the **named insured** which
  - a. causes the **named insured** to sustain such loss; or
  - b. results in financial benefit to the **employee**, or another person or organization intended by the **employee** to receive such benefit, not otherwise entitled to.
2. "**Employee**" shall be as defined by the Idaho Tort Claims Act (Idaho Code, chapter 9, title 6).
3. "**Messenger**" means any **employee** who is duly authorized by the **named insured** to have the care and custody of an **insured** property outside the **premises**.
4. "**Premises**" means the interior of that portion of any building which is occupied by the **named insured** in conducting its business.
5. "**Wrongful Taking**" means an unauthorized conversion or theft of money, securities, money orders, counterfeit currency, depositor's forgery or other financial instruments, whether or not proven in a court of law.

### C. Specific Conditions Applicable to Crime Insuring Agreements

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **All Incidents - One Loss.** All losses incidental to an actual or attempted fraudulent, dishonest or criminal act, or series of related acts, whether committed by one or more persons, shall be deemed one loss. The applicable limits of indemnification stated in the declarations pages are the total limit of **our** liability with respect to all losses arising out of any one occurrence.



2. **Policy in Lieu of Public Officials Surety Bond.** Insurance under this section shall be deemed to provide insurance compliant with the provisions of Idaho Code §59-804 for the terms and responsibilities of public officials or **employees** to the extent required by the Idaho Code bonding requirements for public officials.
3. **Limits of Indemnification for Multiple Policy Periods.** **Our** total liability is limited to the total amount specified in the declarations pages of this policy for all losses caused by any **employee** or in which such **employee** is concerned or implicated. Regardless of the number of years this policy shall continue in force and the number of member contributions which shall be payable or paid, the limits of indemnification specified in the declarations pages shall not be cumulative from year to year or period to period. The maximum total loss paid to any **named insured** shall not exceed the limits of indemnification stated in the policy year during which a claim is made.
4. **Loss Caused by Unidentified Employees.** If a loss is alleged to have been caused by the fraud or dishonesty of any one or more **employees**, and the **named insured** shall be unable to designate the specific **employee** or **employees** causing such loss, the **named insured** shall nevertheless have the benefit of Insuring Agreement 1, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more **employees** of the **named insured**.
5. **Ownership Interest.** Money, securities and other financial instruments may be covered by this policy whether owned by the **named insured** or held by the **named insured** in its care, custody or control.
6. **Recoveries.** To the extent that a loss of the **named insured** exceeds the limits of indemnification applicable to this section, the **named insured** shall be entitled to recoveries from third parties until the **named insured** is fully reimbursed. Any remaining recovery shall be paid to **us**. Audit fees incurred by **us** toward establishing **your** loss values will be deducted from the ultimate net loss.

**D. Exclusions Applicable to Crime Insuring Agreements**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **All Crime Insuring Agreements of this Section do not provide coverage for:**
  - a. Any claim or loss more specifically covered under any other section of this policy.
  - b. Any claim for the potential income or increase including, but not limited to, interest and dividends, not realized by the **named insured** because of a loss covered under this section.
  - c. Any claim for costs, fees or other expenses incurred by the **named insured** in establishing the existence or amount of loss, covered under this section.
  - d. Any claim for the funds collected or retained for any state or Federal agency pursuant to requirements established by law or pursuant to a mutual agreement.
  - e. Any loss claimed involving conduct that occurred more than two (2) years prior to the date of the claim.
2. **Crime Insuring Agreement 1 does not cover:**
  - a. Any loss, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation.
  - b. Any claim of loss concerning any fiscal year wherein financial records of the political subdivision have not been timely audited by a certified public accountant in accordance with the requirements of Idaho Code §67-450B or §67-450C, as appropriate.
3. **Crime Insuring Agreement 2 does not provide coverage for:**
  - a. Any claim or loss due to any fraudulent, dishonest or criminal act by any **employee**, director, trustee or authorized representative of the **named insured**, while working or otherwise, and whether acting alone or in collusion with others.

b. Any claim or loss due to:

- (1) The giving or surrendering of money or securities in any exchange or purchase;
- (2) Accounting or arithmetical errors or omissions;
- (3) Manuscripts, books of account, or records; or
- (4) Presentation or acceptance of any check returned for insufficient funds.

c. Any claim or loss of money contained in coin operated amusement devices or vending machines, unless the amount of money deposited within the device or machine is recorded by a continuous recording instrument therein.

**4. Crime Insuring Agreement 3 does not provide coverage for:**

a. Any claim or loss due to any fraudulent, dishonest or criminal act by any **employee**, director, trustee or authorized representative of the **named insured**, while working or otherwise, and whether acting alone or in collusion with others.

b. Any claim or loss due to:

- (1) The giving or surrendering of money or securities in any exchange or purchase;
- (2) Accounting or arithmetical errors or omissions; or
- (3) Manuscripts, books of account or records.

c. Any insured claim or loss of money, securities and other financial instruments of the **named insured** while in the custody of any armored motor vehicle company, except as excess policy over amounts recovered or received by the **named insured** under:

- (1) The contract of the **named insured** with said armored motor vehicle company;
- (2) Insurance carried by said armored motor vehicle company for the benefit of users of its services; and
- (3) All other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armored motor vehicle company's service.

## SECTION VIII – AUTOMOBILE LIABILITY INSURANCE

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### A. Automobile Liability Insuring Agreements

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the below listed insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Automobile Liability.** We agree to pay on *your* behalf those sums which an *insured* becomes legally obligated to pay as **damages** because of **bodily injury** or **property damage** caused by an **occurrence** and arising out of the ownership, maintenance, use, loading or unloading of an **insured automobile**.
2. **Automobile Medical Payments.** We agree to **pay medical expenses** incurred within the policy period and within ten (10) days of an **automobile accident** as shall be necessary because of **bodily injury** caused by an **occurrence** in a vehicle owned or rented to an **insured**. Any such **medical expenses** must be reported within one hundred eighty (180) days of the **occurrence**.
3. **Uninsured or Underinsured Motorists.**
  - a. We agree to pay **damages** for **bodily injury** which an **insured** is legally entitled to recover from the owner or operator of an **uninsured automobile** or **underinsured automobile**. The **bodily injury** must be caused by **occurrence** and arise out of the ownership, maintenance or use of an **uninsured automobile** or **underinsured automobile**. This policy will pay under this Insuring Agreement only after the limits of liability under any applicable bodily injury liability policies or bonds have been exhausted in payments, settlements or judgments and after all worker's compensation benefits an employee may be entitled to have been paid.
  - b. The limits of indemnification shall be reduced by:
    - (1) All sums paid because of **bodily injury** by or on behalf of persons or organizations who may be legally responsible for causing the **bodily injury**; and
    - (2) All sums paid by worker's compensation benefits or similar disability law.

### B. Definitions Applicable to Automobile Liability Insurance Agreements

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. "Insured" means:
  - a. With respect to Insuring Agreement 1, an **insured** or anyone else while using an **insured automobile** with the permission of the **insured**.
  - b. With respect to Insuring Agreement 2, anyone **occupying** an **insured automobile** with the permission of the **insured**.
  - c. With respect to Insuring Agreement 3, an **insured** or anyone else while using or **occupying** an **insured automobile** with permission of the **insured**.
2. "Insured Automobile" means an **automobile** owned by the **named insured** or a non-owned **automobile** while operated by an **insured** in the course and scope of their duties or such use that is otherwise authorized by the **named insured**.
3. "Medical Expenses" means expenses for necessary medical, surgical, x-ray and dental services, ambulance, hospital, professional nursing and funeral services.

4. "**Occupying**" with regard to Insuring Agreement 2 and 3 of this section means an individual who, at the time of the **accident**, is in physical contact with an **insured automobile**.
5. "**Underinsured Automobile**" means an **automobile** for which the sum of liability limits of all applicable liability bonds or policies at the time of an **accident** is less than the limits of indemnification applicable to Insuring Agreement 3 of this section.
6. "**Uninsured Automobile**" means an **automobile**:
  - a. To which a **bodily injury** liability bond or policy does not apply at the time of the **accident**.
  - b. For which an insuring or bonding company denies coverage or has become insolvent.
  - c. Which is a hit-and-run **automobile** and neither the driver nor the owner can be identified. The hit-and-run **automobile** must come in contact with an insured automobile.

**C. Specific Conditions Applicable to Automobile Liability Insurance Agreements**

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **With respect to Insuring Agreements 1, 2 and 3, Auto Liability Insurance of this Section is subject to the following conditions:**
  - a. **Automobiles Owned by Employees or Authorized Volunteers.** An **automobile** owned by an employee or authorized volunteer of the **named insured** is provided auto liability coverage by this section while the **automobile** is being used by an employee or authorized volunteer on official business of the **named insured**. This policy shall be deemed secondary to the policy of the employee's or authorized volunteer's personal insurance, which is deemed to be primary insurance. The intent of this special condition shall not be interpreted to extend this policy to an **automobile** owned by other public or private entities which are made available to the **named insured** or its employees. For these non-owned **automobiles**, the terms and conditions already contained in this policy shall apply. This specific condition does not apply to volunteers engaged in search and rescue activities as coverage is intended to be primary insurance for search and rescue volunteers only when actively participating in search and rescue mobilizations initiated by the **named insured**.
  - b. **Non-Duplication of Benefits.** There shall be no duplication of payments under this section for Insuring Agreements 1, 2 and 3, respectively, of this policy. Any amounts payable under these respective insuring agreements will be reduced by the amount of any advance payments.
2. **With Respect to Insuring Agreement 2, Automobile Medical Payments Insurance of this Section has the following conditions:**
  - a. **Examinations/Medical Reports.** The injured person may be required to take physical examinations by physicians **we** choose, as often as **we** reasonably require. **We** must be given authorization to obtain medical reports and other records pertinent to any such claim.
  - b. **Notice of Loss.** As soon as possible, any person making a claim under this Insuring Agreement must give **us** written notice. It must include all details **we** may need to determine the amounts payable.
3. **With Respect to Insuring Agreement 3, Uninsured/Underinsured Motorists Insurance of this Section has the following conditions:**
  - a. **Arbitration.** If **we** and any person entitled to recover under Insuring Agreement 3 fail to agree on the amount of **damages** thereof, the amount shall be settled by arbitration. In that event, each party will select an arbitrator. The two arbitrators will then select a third arbitrator. If they cannot agree upon a third arbitrator within thirty (30) days, both parties can ask a district judge in the State of Idaho to select the third arbitrator. Each party will pay the expenses it incurs, and bear the expenses of the third arbitrator equally. Written decisions of any two arbitrators will determine the issues and will be binding. The arbitration will take place pursuant to the Uniform Arbitration Act, Idaho Code Title 7, Chapter 9, unless both parties agree otherwise.

Attorney's fees and fees paid to medical and other expert witnesses as part of the arbitration proceeding will not be considered arbitration expenses. These costs and expenses will be paid by the party incurring them.

- b. **Hit-and-Run Accident.** At **our** request, **you** shall make available for inspection any **automobile** which any **insured** was **occupying** at the time of a hit-and-run **accident**. **You** must also notify a law enforcement agency within twenty-four (24) hours of any hit-and-run **accident**. **You** must also notify **us** of any such hit-and-run **accident** within seven (7) days of any such **accident**. Failure to provide such notice shall be deemed a material and prejudicial breach of this Insuring Agreement 3, and render any insurance provided null and void.
- c. **Medical Examinations.** The injured person may be required to take, at **our** expense, physical examinations by physicians **we** choose, as often as **we** reasonably require.
- d. **Non-Binding Judgment.** No judgment resulting from a suit brought without **our** written consent, or which **we** are not a party to, is binding on **us**, either for determining the liability of the **uninsured or underinsured automobile** or owner, or the amount of **damages** sustained.
- e. **Prejudgment or Pre-Arbitration Award Interest.** Prejudgment or pre-arbitration award interest shall not begin to accrue until the date that the proof of loss is received by **us**.
- f. **Proof of Loss.** A proof of loss must be served upon **us** as soon as practicable following any such **accident** causing the injury in order to determine the amounts payable. Failure to provide such notice shall be deemed a material and prejudicial breach of this Insuring Agreement, and renders any insurance provided null and void. Each proof of loss presented shall accurately describe the conduct and circumstances which brought about the injury, state the time and place the injury occurred, state the names of all persons involved, and shall contain the amount of **damages** claimed, together with any and all records that exist pertaining to said injury. Said records shall consist of 1) all police reports pertaining to the **accident**, and 2) complete medical and billing records from all institutions (hospitals, rehabilitation facilities, and nursing homes) and physician offices. A signed medical records release form must be provided with the proof of loss giving **us** authorization to obtain additional medical reports and other records pertinent to any such loss.

#### **D. Exclusions Applicable to Automobile Liability Insurance Agreements**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

##### **1. With respect to Insuring Agreements 1, 2 and 3, Auto Liability Insurance of this Section does not apply:**

- a. To any claim, **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
- b. To any claim of **bodily injury** sustained by any person, including an **insured**, engaged in the maintenance or repair of an insured automobile.
- c. To any claim that directly or indirectly benefits any worker's compensation or disability benefits insurer.
- d. For **bodily injury** to anyone eligible to receive benefits which are either provided, or are required to be provided, under any worker's compensation, occupational disease or similar disability law.
- e. To any claim arising out of the operation of **mobile equipment**.
- f. For any **automobiles** or **mobile equipment** owned or leased by a **named insured** when the **automobile** or **mobile equipment** is being rented or leased to a third party for compensation.
- g. To any person or organization, or to any agent or employee thereof, operating an automobile sales agency, repair shop, service station, storage garage or public parking place, with respect to any **accident** arising out of the operation thereof.

- h. To any employee with respect to injury to, sickness, disease or death of another employee of the same employer injured in the course of such employment in an **accident** arising out of the maintenance or use of the **automobile** in the business of such employer.
  - i. With respect to any hired **automobile**, to the owner or a lessee thereof, other than the **named insured**, nor to any agent or employee or such owner or lessee.
  - j. To any **bodily injury** resulting from or arising out of the use of an **automobile** owned by **you** and not insured by **us**.
2. **With Respect to Insuring Agreement 1, Auto Liability Insurance of this Section does not apply:**
- a. To **property damage** to property rented to, used by or in the care, custody or control of any **insured**.
  - b. To **bodily injury** to any **insured** arising out of or in the course of employment.
  - c. To any liability for indemnity or contribution brought by any party for **bodily injury** or **property damage** sustained by any **insured**.
3. **With Respect to Insuring Agreement 2, Automobile Medical Payments of this Section does not apply:**
- a. To any **bodily injury** arising out of or resulting from the operation of an insured automobile while being used for hire or for a fee with authorization for such use.
  - b. To prisoners, inmates, or any other category of persons being detained by an **insured** while being transported by **you**.
4. **With Respect to Insuring Agreement 3, Uninsured/Underinsured Motorists Insurance of this Section does not apply:**
- a. To any **insured** who enters into a settlement with a third party without **our** written consent.

## SECTION IX – GENERAL LIABILITY INSURANCE

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### A. Insuring Agreement Applicable to General Liability Insurance

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **General Liability.** We agree to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** for **personal injury** or **property damage** which arise out of an **occurrence** during the policy period.

### B. Definitions Applicable to General Liability Insuring Agreement

The following definition is applicable to this Section only. It may amend definitions located in Section II General Definitions of this policy.

1. **"Fire Suppression Activities"** means the application of water or **fire suppression chemicals** in the attempt to suppress fires or dislocation of materials or destruction of property deemed necessary to suppress fires.
2. **"Fire Suppression Chemicals"** means chemicals prescribed for extinguishing or preventing fires.
3. **"Hostile Fire"** means one which becomes uncontrollable or breaks out from where it was intended to be within **your covered property** and started by **you**.
4. **"Insured"** means:
  - a. The **Named Insured**; or
  - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
  - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

### C. Specific Conditions Applicable to General Liability Insuring Agreement:

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **Fire Suppression Liability.** Insuring Agreement 1 of this Section provides liability coverage for **damages** arising out of **fire suppression activities** by authorized firefighting personnel, provided that all requirements of Insuring Agreement 1 of this section are satisfied. Coverage is limited to \$500,000 per occurrence for claims brought pursuant to the Idaho Tort Claims Act and \$500,000 per occurrence for all other claims brought for **damages** related to **fire suppression activities**. When used by authorized firefighting personnel in the course of **fire suppression activities**, **fire suppression chemicals** will not be considered a **pollutant**. Government imposed penalties or fines, however characterized, assessed to pay the costs of suppressing a fire started by **your fire suppression activities** or for the improper discharge of **fire suppression chemicals** will not be covered under this section. This coverage grant does not apply to fire suppression activities on public land.
2. **Garagekeeper's Liability.** Insuring Agreement 1 of this section provides liability coverage associated with the ownership and operation of storage garages and parking lots of the **named insured** as bailee with respect to an **automobile** left in its custody and control.
3. **Hostile Fire Liability.** Insuring Agreement 1 of this section provides for loss or damage arising out of heat, smoke or fumes resulting from a hostile fire.

4. **Host/Liquor Liability.** Insuring Agreement 1 of this section provides liability coverage for actions resulting from the provision, sale or distribution of alcoholic beverages, or by reason of any local, state or federal liquor control laws; provided however, all requirements of the Insuring Agreement 1 of this Section are satisfied.
5. **Incidental Medical Liability.** Insuring Agreement 1 of this section provide liability coverage for professional medical services rendered in the course and scope of delivering such services or during medically supervised training related thereto or which should have been rendered to any person or persons (other than employees of the **named insured** injured during the course of their employment) only by any of the following persons acting on behalf of the **named insured**:
  - a. Employed or volunteer emergency medical technicians (EMTs), paramedics or first responders.
  - b. Employed or volunteer, nurse practitioners, registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while employed by **you** and while acting within the scope of their duties and responsibilities serving inmates of a jail operated by **you**.
  - c. Volunteer registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while volunteering for **you** and while acting within the scope of their duties and responsibilities, serving as an EMT, paramedic, first responder or ambulance personnel.
  - d. Any other **insured** providing **first aid**.
6. **Sewer Back-up Claims.** Insuring Agreement 1 of this section provides for third-party **claims** for **property damage** arising out of **occurrences** involving sewer line and facilities back-up and related events, for which the **named insured** is responsible by virtue of its negligence; provided that all requirements of Insuring Agreement 1 of this section are satisfied. Notwithstanding the general exclusions stated elsewhere within this policy, this Insuring Agreement extends to mold and other fungus abatement and remediation demonstrated to be a direct result of a sewer back-up related **occurrence** for which **you** are responsible.

**D. Exclusions Applicable to General Liability Insuring Agreement**

The following exclusion are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **With Respect to Insuring Agreement 1, General Liability Insurance of this Section does not apply:**
  - a. To any claim, **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
  - b. To **personal injury** or **property damage** resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **automobile**.
  - c. To **property damage** to property **you** own, rent or occupy; **premises you** sell, give away or have abandoned; property loaned to **you**; and personal property in **your** care, custody and control. This exclusion shall not apply to garagekeeper's liability, as provided in the specific conditions of this section.
  - d. To any **damages** claimed for any loss, cost or expense incurred by **you** or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of **your** product, **your** work, or the impaired property if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition.
  - e. To any claim or **suit** for which the only monetary **damages** sought are costs of **suit** and/or attorney's fees.
  - f. To any **claim** relating to **wrongful employment acts** of the employment of any person, including threatened, actual or alleged discrimination or harassment.
  - g. To any **claim** or **suit** for **personal injury** arising out of the **administration** of an **employee benefit program**.
  - h. To any **claim** arising out of the failure to supply water, electrical power, fuel, internet or any other utilities.



- i. To any **claim** for **personal injury** or **property damage** arising out of:
- (1) Physical contact by any **drone** with any other aircraft, including airships, blimps or other gas or hot air-filled balloons, whether manned or unmanned; or
  - (2) Knowingly not complying with Federal Aviation Administration (FAA) regulations, certifications, rules, procedures, policies and standards with respects to **drones**, including any amendment or addition to such regulations, certifications, rules, procedures, policies and standards; or
  - (3) Knowingly not complying with any other federal, state or local laws and regulations with respect to **drones**, including any amendment or addition to such laws and regulations.

## SECTION X – LAW ENFORCEMENT LIABILITY INSURANCE

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### A. Insuring Agreement Applicable to Law Enforcement Liability Insurance

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Law Enforcement Liability.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** because of a **wrongful act** or related **wrongful acts** resulting from the performance of **your** duties while providing law enforcement services or **jail operations** services or the administration of **first aid** resulting in **personal injury** or **property damage** during the policy period.

### B. Definitions Applicable to Law Enforcement Liability Insuring Agreement

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. **"Jail Operations"** means activities relating to the detention of prisoners, arrestees or detainees at a detention facility, jail, work program, or other facility however described used to hold prisoners, arrestees, or detainees in the charge of an **insured**.
2. **"Personal Injury"** means **bodily injury**, mental anguish, shock, sickness, disease, disability, wrongful eviction, malicious prosecution, humiliation, invasion of rights of privacy, libel, slander or defamation of character, piracy and any infringement of copyright of property, erroneous service of civil papers, assault and battery and disparagement of property. **Personal injury** shall also mean false arrest, false imprisonment, detention, unlawful discrimination and violation of civil rights arising out of law enforcement activities.
3. **"Wrongful Act"** means the actual or alleged negligent performance of a legal duty or responsibility or failure to perform a legal duty or responsibility, respectively, in a tortious manner pursuant to the Idaho Tort Claims Act or unlawful violations of civil rights pursuant to Federal law arising out of public office or position. **Wrongful act** is not a **wrongful employment practice**, as defined elsewhere.

### C. Specific Conditions Applicable to Law Enforcement Liability Insuring Agreement

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **Incidental Medical Liability.** Insuring Agreement 1 of this section provides liability coverage for professional medical services rendered in the course and scope of delivering such services or during medically supervised training related thereto, or which should have been rendered to any person or persons (other than employees of the **named insured** injured during the course of their employment) only by any of the following persons acting on behalf of the **named insured**:
  - a. Employed or volunteer emergency medical technicians (EMTs), paramedics or first responders.
  - b. Employed or volunteer, nurse practitioners, registered nurses, licensed practical nurses or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while employed by **you** and while acting within the scope of their duties and responsibilities serving inmates of a jail operated by **you**.
  - c. Volunteer registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while volunteering for **you** and while acting within the scope of their duties and responsibilities serving an EMT, paramedic, first responder or ambulance personnel.

**D. Exclusions Applicable to Law Enforcement Liability Insuring Agreement**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **With Respect to Insuring Agreement 1, Law Enforcement Liability Insurance of this Section does not apply:**
  - a. To any claim, **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
  - b. To **personal injury** or **property damage** resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **automobile**.
  - c. To **property damage** to property **you** own, rent or occupy; **premises you** sell, give away or have abandoned; property loaned to **you**; and personal property in **your** care, custody and control. This exclusion shall not apply to garagekeeper's liability, as provided in the specific conditions of this section.
  - d. To any **claim** or suit for which the only monetary **damages** sought are costs of suit and/or attorney's fees.
  - e. To any **claim** relating to **wrongful employment acts** of the employment of any person, including threatened, actual or alleged discrimination or harassment.
  - f. To any **claim** for **personal injury** or **property damage** arising out of:
    - (1) Physical contact by any **drone** with any other aircraft, including airships, blimps or other gas or hot air-filled balloons, whether manned or unmanned; or
    - (2) Knowingly not complying with Federal Aviation Administration (FAA) regulations, certifications, rules, procedures, policies and standards with respects to **drones**, including any amendment or addition to such regulations, certifications, rules, procedures, policies and standards; or
    - (3) Knowingly not complying with any other federal, state or local laws and regulations with respect to **drones**, including any amendment or addition to such laws and regulations.

## SECTION XI - ERRORS AND OMISSIONS INSURANCE CLAIMS MADE ONLY

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### A. Errors and Omissions Insuring Agreements

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Errors and Omissions Liability.** *We* agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on *your* behalf those sums which *you* become legally obligated to pay as **damages** because of a **claim** arising out of a **wrongful act** or related **wrongful acts** against an **insured** which is **first made** in writing to *us* by *you* during this policy period, or any extended reporting period *we* provide. For this insuring agreement, two or more **claims** arising out of a single **wrongful act** or series of related **wrongful acts** shall be treated as a single **claim**. This insuring agreement only applies if the incident(s) did not first occur before the retroactive date as stated in the declarations pages or after the end of this policy period, or any extended reporting period *we* provide.

### B. Definitions Applicable to Errors and Omissions Insuring Agreement

The following definition is applicable to this Section only. It may amend a definition located in Section II General Definitions of this policy.

1. **"Claim"** means a demand received by *you* for money **damages** alleging a **wrongful act** of a tortious nature by any **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees.
2. **"Insured"** means:
  - a. The **Named Insured**;
  - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
  - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

### C. Specific Conditions Applicable to Errors and Omissions Insuring Agreement

The following condition is applicable to this Section only. It may amend conditions located in Section III General Conditions of this policy.

1. **Retroactive Date.** All **wrongful acts** must first take place after the applicable retroactive date shown in the declaration pages of this policy and on or before the expiration of this policy period. A **claim** must also be **first made to us** in writing by *you* during the policy period or during any extended reporting period *we* provide pursuant to the specific condition outlined in this section.

### D. Exclusions Applicable to Errors and Omissions Insuring Agreement

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **The Errors and Omissions Insuring Agreement 1 of this Section does not cover any claim:**
  - a. Or **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.

- b. Arising out of any dishonest, fraudulent, or criminal **wrongful acts** committed by any **insured** or at the direction of any **insured**.
- c. Arising out of the failure to supply water, electrical power, fuel, internet or any other utilities.
- d. For which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a **claim** under any policy or policies, the term of which has commenced prior to the inception date of this policy, or from a **wrongful act** which occurred prior to the applicable retroactive date set forth in the declarations pages of this policy.
- e. Resulting from a continuing **wrongful act** which first commences prior to the applicable retroactive date set forth in the declarations pages of this policy.
- f. Arising out of law enforcement activities or the performance of law enforcement duties.
- g. For **personal injury** or **property damage**.

## SECTION XII – EMPLOYEE BENEFIT PROGRAM LIABILITY INSURANCE CLAIMS MADE ONLY

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### A. Employee Benefit Program Liability Insuring Agreement

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Employee Benefit Program Liability.** We agree to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** because of a **claim** arising against an **insured** which is **first made** in writing to **us** by **you** during this policy period, or any extended reporting period **we** provide, resulting from a **wrongful act(s)** or a series of related **wrongful acts** in the **administration** of **your employee benefit program**. For this insuring agreement, two or more **claims** arising out of a single **wrongful act** or series of related **wrongful acts**, or a **personal injury** offense or a series of related offenses, in the **administration** of **your employee benefit program**, shall be treated as a single **claim**.

### B. Definitions Applicable to Employee Benefit Program Liability Insuring Agreement

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. **"Administration"** means:
  - a. Providing information to employees, including their dependents and beneficiaries, with respect to eligibility for any **employee benefit program**;
  - b. Handling of records in connection with the **employee benefit program**; or
  - c. Affecting, continuing or terminating any employee participation in any **employee benefit program**.
  - d. **Administration** does not mean **your** decision to not offer a particular benefit, plan or program unless that particular benefit is required by law.
2. **"Claim"** means a demand received by **you** for money **damages** alleging a **wrongful act(s)** or **personal injury** of a tortious nature by any **insured** in the **administration** of **your employee benefit program**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees.
3. **"Insured"** means:
  - a. The **Named Insured**;
  - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
  - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

**C. Specific Conditions Applicable to Employee Benefit Program Liability Insuring Agreement**

The following condition is applicable to this Section only. It may amend conditions located in Section III General Conditions of this policy.

1. **Retroactive Date.** All **wrongful acts** or all **personal injury** must first take place on or after the applicable retroactive date shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made to us** in writing by **you** during the policy period or during any extended reporting period **we** provide pursuant to the specific condition outlined in this section.

**D. Exclusions Applicable to Employee Benefit Program Liability Insuring Agreement**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **The Employee Benefit Liability Insuring Agreement 1 of this Section does not cover any claim:**
  - a. Or **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
  - b. For which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a **claim** under any policy or policies, the term of which has commenced prior to the inception date of this policy, or from a **wrongful act** or **personal injury** which occurred prior to the applicable retroactive date set forth in the declarations pages of this policy.
  - c. Resulting from a continuing **wrongful act** or **personal injury** which first commences prior to the applicable retroactive date set forth in the declarations pages of this policy.
  - d. Arising out of law enforcement activities or the performance of law enforcement duties.
  - e. For **property damage**.

## SECTION XIII – EMPLOYMENT PRACTICES LIABILITY INSURANCE

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### CLAIMS MADE ONLY

#### **A. Employment Practices Liability Insuring Agreement:**

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Employment Practices Liability.** *We* agree to pay on *your* behalf those sums which *you* become legally obligated to pay as **damages** because of a **claim** arising from a volunteer, employee, former employee or applicant for employment which is **first made** in writing to *us* by *you* during this policy period or any extended reporting period *we* provide arising out of any **wrongful employment practice act(s)** or series of related **wrongful employment practices act** by an **insured**. For this insuring agreement, two or more **claims** arising out of a single **wrongful employment practice act(s)** or series of related **wrongful employment practice acts** shall be treated as a single **claim**.

#### **B. Definitions Applicable to Employment Practices Liability Insuring Agreement**

The following definition is applicable to this Section only. It may amend a definition located in Section II General Definitions of this policy.

1. **"Claim"** means a demand received by *you* for money **damages** alleging a **wrongful employment practice act** of a tortious nature by any **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees. A **claim** shall include complaints filed with the Idaho Human Rights Commission (IHRC) and the Equal Employment Opportunity Commission (EEOC). A **claim** also includes employment contract claims premised upon implied employment contracts.
2. **"Insured"** means:
  - a. The **Named Insured**;
  - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
  - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

#### **C. Specific Conditions Applicable to Employment Practices Liability Insuring Agreement**

The following condition is applicable to this Section only. It may amend conditions located in Section III General Conditions of this policy.

1. **Retroactive Date.** All **wrongful employment practice acts** must take place on or after the applicable retroactive date shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made** to *us* in writing by *you* during the policy period or during any extended reporting period *we* provide pursuant to the specific condition outlined in this section.

#### **D. Exclusions Applicable to Employment Practices Liability Insuring Agreement**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **The Employment Practices Liability Insuring Agreement 1 of this Section does not cover any claim:**



- a. Or **occurrence, accident** or other covered loss more specifically covered under any other section of this policy.
- b. For which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a **claim** under any policy or policies, the term of which has commenced prior to the inception date of this policy, or from a **wrongful employment practice act** which occurred prior to the applicable retroactive date set forth in the declarations pages of this policy.
- c. Resulting from a continuing **wrongful employment practice act** which commences prior to the applicable retroactive date set forth in the declarations pages of this policy.
- d. Arising out of law enforcement activities or the performance of law enforcement duties.
- e. For **personal injury** or **property damage**.

## SECTION XIV –SEXUAL MOLESTATION OR SEXUAL ABUSE LIABILITY INSURANCE CLAIMS MADE ONLY

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### A. Insuring Agreement Applicable to Sexual Molestation or Sexual Abuse Liability Insurance

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Sexual Molestation or Sexual Abuse Liability.** We agree to pay on **your** behalf those sums **you** become legally obligated to pay as **damages** arising out of a sexual molestation or sexual abuse **bodily injury claim** or a series of related sexual molestation or sexual abuse **bodily injury claims** against an **insured** which are **first made** in writing to **us** by **you** against an **insured** during this policy period, or any extended reporting period **we** provide, arising out of any sexual molestation or sexual abuse incident or a series of related sexual molestation or sexual abuse incidents. This insurance applies to **bodily injury** only if:
  - a. The **bodily injury** is caused by a sexual molestation or sexual abuse incident that takes place or a series of related sexual molestation or sexual abuse incidents or victims; and
  - b. The **bodily injury** caused by a sexual molestation or sexual abuse or a series of related sexual molestation or sexual abuse incidents or victims did not first occur before the retroactive date shown in the declarations pages or after the end of this policy period; and
  - c. Subject to paragraphs a and b of this subsection, Insuring Agreement 1 will only apply if the first incident of sexual molestation or sexual abuse **bodily injury** to the injured person(s) takes place on or after the retroactive date and before the end of the policy period, regardless of the number of victims of sexual molestation or sexual abuse, or locations where the sexual molestation or sexual abuse takes place involving an injured person(s) that take place over one or more policy periods while insured by **us** and whether such incidents of sexual molestation or sexual abuse are committed by the same perpetrator or two or more perpetrators acting in concert, all such **bodily injury** to that injured person(s) will be deemed to be **first made to us** in writing by **you** during the policy period when the first of such **claims** is made and will be considered a single **claim**, when arising out of the same incident or a series of related incidents or victims of sexual molestation or sexual abuse **bodily injury**.

### B. Definitions Applicable to Sexual Molestation or Sexual Abuse Liability Insuring Agreement

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. **"Bodily Injury"** means bodily injury, sickness, disease, shock, fright, mental injury or anguish, emotional distress or disability sustained by a natural person, including death resulting from any of these at any time resulting from sexual molestation or sexual abuse.
2. **"Claim"** means a **suit** or demand made by or for the injured person for monetary **damages** because of alleged or actual **bodily injury** caused by sexual molestation or sexual abuse.
3. **"Insured"** means:
  - a. The **Named Insured**;
  - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
  - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

**C. Specific Conditions Applicable to Sexual Molestation or Sexual Abuse Liability Insuring Agreement**

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **Retroactive Date.** All sexual molestation or sexual abuse **claims** must take place on or after the applicable retroactive date as shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made to us** in writing by **you** during the policy period or during any extended reporting period **we** provide pursuant to the specific condition outlined in this section.

**D. Exclusions Applicable to Sexual Molestation or Sexual Abuse Liability Insuring Agreement**

The following exclusions are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. **With Respect to Insuring Agreement 1 Sexual Molestation or Sexual Abuse Liability Insurance of this Section does not apply:**
  - a. To any **claim, occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
  - b. To any **claim** relating to **wrongful employment practice acts** of the employment of any person, including threatened, actual or alleged discrimination or harassment.
  - c. To any **claim** or suit for which the only monetary **damages** sought are costs of suit and/or attorney's fees.
  - d. Any sexual molestation or sexual abuse **bodily injury claim**:
    - (1.) Based upon, or arising out of, sexual molestation or sexual abuse **bodily injury** which is the subject of any notice given under any policy or policies the term of which has or have expired prior to the inception date of this policy.
    - (2.) Arising out of any sexual molestation or sexual abuse **bodily injury** that first takes place prior to the retro date of this policy.
    - (3.) Caused by any **insured** who is found by a court of law to have committed a criminal act involving sexual molestation or sexual abuse. However, **we** will pay covered **damages** the **named insured** becomes legally obligated to pay as a result of an employee's actions if such obligation is created pursuant to the Idaho Tort Claims Act, another state's similar law or federal law.

## SECTION XV –CHEMICAL SPRAYING ACTIVITIES LIABILITY INSURANCE

### CLAIMS MADE COVERAGE ONLY

#### **A. Insuring Agreement Applicable to Chemical Spraying Activities Liability Insurance**

The following insuring agreements are applicable to this Section only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Section.

1. **Chemical Spraying Activities Liability.** *We* agree to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** because of a **claim** arising out of an **occurrence** for **chemical spraying activities** against an **insured** which is **first made** in writing to **us** by **you** during this policy period, or any extended reporting period **we** provide. For this insuring agreement, two or more **claims** arising out of a single **occurrence** or series of related **occurrences** shall be treated as a single **claim**. All **personal injury** to one or more persons and/or **property damage** arising out of an **accident** or a continuous or repeated exposure to conditions shall be deemed one **occurrence**. This insuring agreement only applies if the incident did not first occur before the retroactive date as stated in the declarations pages or after the end of this policy period, or any extended reporting period **we** provide.

#### **B. Definitions Applicable to Chemical Spraying Activities Liability Insuring Agreement**

The following definitions are applicable to this Section only. They may amend definitions located in Section II General Definitions of this policy.

1. **"Chemical Spraying Activities"** means the intended dispersal of herbicides, defoliant, insecticides, pesticides or other toxic materials approved by the federal government for the eradication of undesirable plant growth, insects or rodents and the mixing, loading, storage, transportation and disposal of such materials.
2. **"Claim"** means a demand received by **you** for money **damages** alleging a **wrongful act** of a tortious nature by an **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees.
3. **"Occurrence"** means an **accident** or a continuous or repeated exposure to **chemical spraying activities** which results in **personal injury or property damage** during the policy period and also first commences or was sustained on or after the retroactive date.

#### **C. Specific Conditions to Chemical Spraying Activities Liability Insuring Agreement**

The following conditions are applicable to this Section only. They may amend conditions located in Section III General Conditions of this policy.

1. **Exception to Absolute Pollution Exclusion.** The insurance afforded by this section constitutes an express exception to the Absolute Pollution Exclusion set forth in the General Exclusions section IV of this policy. As an exception to such exclusion, this coverage stands only to pay legally required **damages** for **personal injury or property damage** not to exceed the Limits of Indemnification stated in the policy declarations, and not in any circumstances for natural resource damage claims made or penalties or fines imposed pursuant to state or federal law.
2. **Retroactive Date.** All **claims** must take place on or after the applicable retroactive date as shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made to us** in writing by **you** during the policy period or during any extended reporting period **we** provide pursuant to the specific condition outlined in this section.

**D. Exclusions to Chemical Spraying Liability Activities Liability Insuring Agreement**

The following exclusion are applicable to this Section only. They may amend exclusions located in Section IV General Exclusions of this policy.

1. To any **claim, occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
2. To any claim or suit for which the only monetary **damages** sought are costs of suit and/or attorney's fees.
3. To any claim for which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a claim under any other policy or policies of insurance.

## **SECTION XVI -ENDORSEMENTS**

**THESE ENDORSEMENTS MODIFY THE POLICY.**

**PLEASE READ THEM CAREFULLY.**

**Nothing herein contained in any of the listed endorsements shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which these endorsements are attached other than as stated. All definitions listed in the General Definitions of this Policy apply when not amended within each Endorsement.**

# #1 ACCIDENTAL DISCHARGE OF POLLUTANTS AMENDATORY ENDORSEMENT

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## Section V – Property is amended by the following:

### **A. Insuring Agreement to Accidental Discharge of Pollutants Endorsement**

The following insuring agreement is applicable to this Endorsement only and may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the following insuring agreement is subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Endorsement.

1. Notwithstanding anything to the contrary contained in the policy to which this endorsement attaches, it is hereby understood and agreed that Section V, Property Insurance, is extended to cover “**pollution cost or expense**” related to an otherwise covered **accident** as covered by section V, Property. This endorsement is limited to \$100,000 per occurrence and in the policy term aggregate.

### **B. Definitions Applicable to Accidental Discharge of Pollutants Endorsement**

The following definition is applicable to this Endorsement only. It may amend a definition located in Section II General Definitions of this policy or Section V Property definitions.

1. “**Pollution Cost or Expense**” means any cost or expense arising out of costs incurred by **you** to monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of **pollutants** related to any otherwise covered claim as defined in section V Property Insurance. This coverage will apply whether this cost is incurred due to a request, order, or suit by any governmental agency or at the discretion of the **named insured**.

### **C. Exclusions Applicable to Accidental Discharge of Pollutants Endorsement**

The following exclusion is applicable to this Endorsement only. It may amend exclusions located in Section IV General Exclusions of this policy and Section V Property exclusions.

1. This endorsement does not extend to any landfill, transfer station, trash or recycling collection facility or any other facility designed primarily for the collection or transfer of refuse or recycling content, or the vehicles and **mobile equipment** associated with any such described location.

**Nothing herein contained shall be held to vary, alter, waive or extend any of the Section I General Insuring Agreements, Section II General Definitions, Section III General Conditions, Section IV General Exclusions or any specific Section insuring agreements, definitions, conditions, or exclusions to which this endorsement is attached other than as above stated.**

## #2 TERRORISM INSURANCE PHYSICAL DAMAGE/LOSS AMENDATORY ENDORSEMENT

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### **A. Insuring Agreements**

The following insuring agreements are applicable to this Endorsement only and may amend insuring agreements located in Section I General Insuring Agreement of this policy or Section V Property. Also, the below listed insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Endorsement.

1. This endorsement insures property as listed in the ***schedule of values*** against physical loss or physical damage occurring during the period of this policy caused by an Act of Terrorism or Sabotage, as herein defined.
2. For the purpose of this endorsement, an Act of Terrorism means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.
3. For the purpose of this endorsement, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

### **B. Losses Excluded**

The following exclusions are applicable to this Endorsement only. It may amend exclusions located in Section IV General Exclusions of this policy or Section V Property Exclusions.

1. Loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
3. Loss by seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Act of Terrorism or an Act of Sabotage.
4. Loss or damage caused by confiscation, nationalization, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the ***named insured*** of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
5. Loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of ***pollutants*** or contaminants, which ***pollutants*** and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.



6. Loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.
7. Loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.
8. Any fine or penalty or other assessment which is incurred by an **named insured** or which is imposed by any court, government agency, public or civil authority or any other person.
9. Loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses which would otherwise be covered under this endorsement arising from the use of any computer, computer system or computer software program or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
10. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labor unrest, riots or civil commotion.
11. Loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.
12. Loss or damage caused by measures taken to prevent, suppress or control actual or potential terrorism or sabotage unless agreed by ICRMP in writing prior to such measures being taken.
13. Any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working.
14. Loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service.
15. Loss or increased cost as a result of threat or hoax.
16. Loss or damage caused by or arising out of burglary, house - breaking, looting, theft or larceny.
17. Loss or damage caused by mysterious disappearance or unexplained loss.
18. Loss or damage directly or indirectly caused by mold, mildew, fungus, spores or other microorganism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

**C. Property Excluded from Terrorism Coverage:**

The following exclusions are applicable to this Endorsement only. It may amend exclusions located in Section IV General Exclusions of this policy or Section V Property Exclusions.

1. Land or land values.
2. Power transmission, feeder lines or pipelines not on the **named insured's premises**.
3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.

4. **Aircraft** or any other aerial device or watercraft.
5. Any land conveyance, including locomotives or rolling **stock**, unless such land conveyance is declared hereon and solely while located at the property insured herein at the time of its damage.
6. Animals, plants and living things of all types.
7. Property in transit not on the **named insured's premises**.

#### **D. Conditions**

The following conditions are applicable to this Endorsement only. They may amend conditions located in Section III General Conditions of this policy or Section V Property Conditions.

1. **Joint Insureds.** ICRMP's total liability for any loss or losses sustained by any one or more of the **named insured's** under this endorsement will not exceed the sum insured shown in the declarations pages. ICRMP shall have no liability in excess of the sum insured whether such amounts consist of insured losses sustained by all ICRM's members or any one or more of the **named insureds**.
2. **Other insurance.** This endorsement shall be excess of any other insurance available to the **named insured** covering a loss covered hereunder, except such other insurance which is written specifically as excess insurance over this endorsement. When this endorsement is written specifically in excess of other insurance covering the peril insured hereunder, this endorsement shall not apply until such time as the amount of the underlying insurance, (whether collectible or not), has been exhausted by loss and damage covered by this endorsement in excess of the deductible with respect to each and every covered loss.
3. **Situation.** This endorsement insures property located at the addresses stated in the **schedule of values** kept on file with **us** via the ICRMP database.
4. **Sum Insured.** ICRMP hereon shall not be liable for more than the endorsement aggregate of fifty million dollars (\$50,000,000) for all ICRMP public entity members combined during any policy year.
5. **Deductible.** Each **occurrence** shall be adjusted separately and from each such amount the sum stated in the **schedule of values** shall be deducted of ten thousand dollars (\$10,000) per occurrence.
6. **Occurrence.** The term "occurrence" shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism or Sabotage for the same purpose or cause. The duration and extent of any one "occurrence" shall be limited to all losses sustained by the **named insured** at the property insured herein during any period of seventy-two (72) consecutive hours arising out of the same purpose or cause. However, no such period of seventy-two (72) consecutive hours may extend beyond the expiration of this endorsement unless the **named insured** shall first sustain direct physical damage by an Act of Terrorism or an Act of Sabotage prior to expiration and within said period of seventy-two (72) consecutive hours nor shall any period of seventy-two (72) consecutive hours commence prior to the attachment of this endorsement.
7. **Debris Removal.** This endorsement also covers, within the sum insured, expenses incurred in the removal from the insured location of debris of property stated in the **schedule of values** damaged by an Act of Terrorism or an Act of Sabotage. The cost of removal of debris shall not be considered in determination of the valuation of the property covered.
8. **Due Diligence.** The **named insured** or any of the **named insured's** agents, sub or co-contractors must use due diligence and do and concur in doing and permit to be done everything reasonably practicable, including but not limited to taking precautions to protect or remove an insured property, to

avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.

9. **Protection Maintenance.** It is agreed that any protection provided for the safety of the property insured shall be maintained in good order throughout the currency of this endorsement and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of ICRMP without **our** consent.
10. **Valuation.** It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:
  - a. The repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch;
  - b. Until replacement has been effected the amount of liability under this endorsement in respect of loss shall be limited to the actual cash value at the time of loss;
  - c. If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this endorsement.
  - d. ICRMP's liability for loss under this endorsement shall not exceed the smallest of the following amounts:
    - i. The endorsement limit applicable to the destroyed or damaged property,
    - ii. The replacement cost of the property or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss,
    - iii. The amount actually and necessarily expended in replacing said property or any part thereof.
    - iv. ICRMP will normally expect the **named insured** to carry out repair or replacement of an insured property, but if the **named insured** and ICRMP agree that it is not practicable or reasonable to do this, **we** will pay the **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred. **We** will only pay **you** up to the limits of indemnification shown in the declarations pages.
11. **Incorrect Declaration Penalty.** If the values declared as stated in the **schedule of values** are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and **you** shall coinsure for the balance.
12. **Notification of Claims.** **You**, upon knowledge of any **occurrence** likely to give rise to a claim hereunder, shall give written advice as soon as reasonably practicable to **us** within seven (7) days of such knowledge of any **occurrence** and it is a condition precedent to the liability of ICRMP that such notification is given by the **you** as provided for by this endorsement. If **you** make a claim under this endorsement **you** must give **us** such relevant information and evidence as may reasonably be required and cooperate fully in the investigation or adjustment of any claim. If required by **us**, **you** must submit to examination under oath by any person designated by **us**.
13. **Proof of Loss.** **You** shall render a signed and sworn proof of loss within sixty (60) days after the **occurrence** of a loss (unless such period be extended by the written agreement of **us**) stating the time, place and cause of loss, **your** interests and all others in the property, the sound value thereof and the amount of loss or damage thereto. If ICRMP has not received such proof of loss within two

years of the expiry date of this endorsement, **we** shall be discharged from all liability hereunder. In any claim and/or action, suit or proceeding to enforce a claim for loss under this endorsement, the burden of proving that the loss is recoverable under this endorsement and that no limitation or exclusion of this endorsement applies and the quantum of loss shall fall upon **you**.

14. **Subrogation.** Any release from liability entered into in writing by **you** prior to loss hereunder shall not affect this endorsement or the right of **you** to recover hereunder. In the event of any payment under this endorsement, **we** shall be subrogated to the extent of such payment to all **your** rights of recovery therefore. **You** shall execute all papers required, shall cooperate with **us** and, upon **our** request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. **We** will act in concert with all other interests concerned (including **a named insured**) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:
- a. Any interest, (including **yours**), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this endorsement and in excess of the coverage under this endorsement shall be reimbursed up to the amount of such loss (excluding the amount of the deductible);
  - b. Out of the balance remaining, **we** shall be reimbursed to the extent of payment under this endorsement;
  - c. The remaining balance, if any, shall inure to the benefit of **you**, or any insurer providing insurance primary to this endorsement, with respect to the amount of such primary insurance, deductible, self-insured retention, and/or loss of a type not covered by this endorsement.
  - d. The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the **named insured**, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of **us**, the expense thereof shall be borne by **us**.
15. **Salvage and Recoveries.** All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this endorsement shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.
16. **False or Fraudulent Claims.** If **you** shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this endorsement shall become void and all claims and benefit hereunder shall be forfeited.
17. **Misrepresentation.** If **you** have concealed or misrepresented any material fact or circumstance relating to this endorsement, this endorsement shall become void. If **you** are unsure what constitutes material fact(s) or circumstance(s), **you** should consult **your** agent.
18. **Abandonment.** There shall be no abandonment to ICRMP of any property.
19. **Inspection and Audit.** ICRMP or its agents shall be permitted but not obligated to inspect the property at any time. Neither ICRMP'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 **named insured** or others, to determine or warrant that such property is safe. **We** may examine and audit **your** books and records at any time up to two years after the final termination of this endorsement, as far as they relate to the subject matter of this endorsement.
20. **Assignment.** Assignment or transfer of this endorsement shall not be valid except with the prior written consent of ICRMP.

21. **Rights of Third Party Exclusions.** This endorsement is affected solely between the **named insured** and ICRMP. This endorsement shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this endorsement. This clause shall not affect the rights of the **named insured**.
22. **Arbitration.** If **you** and **we** fail to agree in whole or in part regarding any aspect of this endorsement, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two (2) chosen shall before commencing the arbitration select a competent and disinterested umpire. The arbitrators together shall determine such matters in which **you** shall so fail to agree and shall make an award thereon and the award in writing of any two (2), duly verified, shall determine the same, and if they fail to agree, they will submit their differences to the umpire. The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.
23. **Severall Liability.** ICRMP's obligations under this endorsement are several and not joint and are limited solely to their individual policies.
24. **Legal Action Against ICRMP.** No one may bring a legal action against ICRMP unless:
- a. there has been full compliance by **you** with all of the terms of this endorsement and the ICRMP Joint Powers Subscriber Agreement; and
  - b. the action is brought within two (2) years after the expiry or cancellation of this endorsement.
25. **Material Changes.** **You** shall notify **us** of any change of circumstances which would materially affect this Insurance.
26. **Experts Fees.** This endorsement includes, within the sum insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing an insured property following damage insured under this endorsement.
27. **Law.** As specified in the General Conditions of this policy.
28. **Jurisdiction.** As specified in the General Conditions of this policy.
29. **Service of Suit.** This service of suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this endorsement. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such arbitration provision for resolving disputes arising out of this endorsement. It is agreed that in the event of the failure of **us** hereon to pay any amount claimed to be due hereunder, **we** hereon, at the request of the **named insured**, will submit to the jurisdiction of a court of competent jurisdiction within Idaho. Nothing in this clause constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any court of competent jurisdiction in Idaho, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon ICRMP representatives and that in any suit instituted against any one of them upon this endorsement, ICRMP will abide by the final decision of such court or of any appellate court in the event of an appeal.
30. **Legal Service.** Any summons, notice or process to be served upon ICRMP for the purpose of instituting any legal proceedings against it in connection with this endorsement may be served upon the Executive Director of ICRMP who has authority to accept service.
31. **Definitions.** All defined terms are controlled by Section 1, General Definitions and section V, Property, unless otherwise amended or clarified within this endorsement.

**Nothing herein contained shall be held to vary, alter, waive or extend any of the Section I General Insuring Agreements, Section II General Definitions, Section III General Conditions, Section IV General Exclusions or any specific Section insuring agreements, definitions, conditions, or exclusions to which this endorsement is attached other than as above stated.**

## #3 CYBER AND TECHNOLOGY LIABILITY ENDORSEMENT

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**THIS ENDORSEMENT IS LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST YOU AND REPORTED IN WRITING TO US DURING THE POLICY PERIOD. CLAIM EXPENSES ARE WITHIN AND REDUCE THE LIMIT OF LIABILITY.**

### CLAIMS MADE COVERAGE

#### I. Insuring Agreements

The following insuring agreements are applicable to this Endorsement only. They may amend insuring agreements located in Section I General Insuring Agreement of this policy. Also, the below listed insuring agreements are subject to Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy. It may also amend Section IX General Liability Insuring Agreements. It may also amend Section V Property Insuring Agreements.

#### A. Third Party Liability Coverages

1. Technology and Professional Services. **We** will pay on **your** behalf for **claim expenses** and **damages** that **you** are legally obligated to pay as the result of a **claim first made** against you during the policy period or extended reporting period (if applicable) alleging a **technology and professional services wrongful act** committed by an **insured** or by a third party for **your** benefit and for whose acts and omissions **you** are legally responsible. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
2. Media. **We** will pay on **your** behalf **claim expenses** and **damages** that **you** are legally obligated to pay as the result of a **claim first made** against **you** during the policy period or extended reporting period (if applicable) alleging a **media wrongful act** by **you**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
3. Privacy and Cyber Security. **We** will pay on **your** behalf **claim expenses** and **damages** that **you** are legally obligated to pay as the result of a **claim first made** against **you** during the policy period or extended reporting period (if applicable) alleging a **privacy and security wrongful act** committed by **you**, an **outsourced provider** or a **rogue employee**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
4. Privacy Regulatory Defense, Awards and Fines. **We** will pay on **your** behalf **claim expenses** and **regulatory damages** that **we** are legally obligated to pay as the result of a **privacy regulatory action**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
5. Supplemental Third-Party Liability Prevention. Upon exhaustion of **your** deductible applicable to this endorsement under which **we** are providing coverage, **we** will pay for **claim avoidance costs**, at **our** sole discretion and with prior written consent, that **you** thereafter incur as a direct result of **your** reasonable investigation of a potentially covered circumstance that **you** report to **us**. Notice of such **claim avoidance costs** will be part of, and not in addition to, the limit of liability, as stated in the Declarations page, and will in no way serve to increase or supplement such aggregate limit of liability. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

## B. First Party Coverages

1. Business Interruption and Extra Expense. **We** will pay for loss of business income and reimburse **you** for **extra expense** during the **period of restoration** that **you** incur resulting from **cyber security breach** directly causing a total or partial interruption or deterioration in **your** business operations. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
2. Data Recovery. **We** will reimburse **you** for **data recovery expenses** that **you** incur directly resulting from a **cyber-security breach**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
3. Cyber-Extortion. **We** will reimburse **you** for **cyber-extortion expenses** that **you** incur directly resulting from and in response to a **cyber-extortion threat**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

## C. Data Breach Response and Crisis Management Coverage.

1. **We** will pay **data breach response and crisis management costs** that **you** incur for a continuous twelve (12) month period resulting from a **data breach** that is first discovered by **you** and as soon as notice of the **data breach** is reported to **us**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

## D. Conditions.

The following conditions are applicable to this Endorsement only. They may amend conditions located in Section III General Conditions of this policy.

1. The coverage provided under Media, Privacy and Cyber Security and Privacy Regulatory Defense, Awards and Fines shall apply only if:
  - a) the first such **third party wrongful act** or **related matter** occurs on or after the **retroactive date**, if any, as stated in Declarations pages and prior to the Policy expiration date as stated in the Declarations page;
  - b) prior to the Policy's effective date on the declarations page, or that of the first such policy issued and continuously renewed by **us**, of which this endorsement is a renewal, no executive officer knew or could have reasonably foreseen that such **third party wrongful act** or **related matter** did or likely would result in a **claim**;
  - c) the **claim** is reported to **us** during the policy period or extended reporting period (if applicable) and is reported in accordance with the endorsement provisions; and
  - d) notice of such **third party wrongful act** or **related matter** alleged or contained in any **claim** or in any circumstance has not been provided under any other prior policy of which this endorsement is a renewal or replacement, or any subsequent policy, irrespective of whether such prior or subsequent policy was issued by **us** or other entity.
2. The coverage provided under First Party Coverages and Data Breach Response and Crisis Management Coverage shall apply only if:



- a) an executive officer first becomes aware of such **first party incident** or **related matter** during the policy period;
- b) such **first party incident** is reported to **us** during the policy period or automatic extended reporting period (if applicable) and is reported in accordance with the endorsement; and
- c) notice of such **first party incident** or **related matter** has not been provided under any prior policy of which this endorsement is a renewal or replacement, or any subsequent endorsement, irrespective of whether such prior or subsequent policy was issued by **us** or other entity.

## II. Defense and Settlement

### A. Defense.

1. **We** have the right and duty to defend any **claim** seeking **damages** covered under Technology and Professional Services, Media, Privacy and Cyber Security and Privacy Regulatory Defense, Awards and Fines made against **you** even if the allegations in the **claim** are groundless, false or fraudulent. **We** will select and appoint defense counsel.

### B. Settlement.

1. **We** have the right to settle a **claim**. All such payments by **us** are subject to Liability and Retention limits as stated in the declarations pages. Notwithstanding the foregoing, **we** shall have the right but not the duty to participate in the continuing defense of such **claim**.

## III. Limit of Liability and Retention

### A. Limit of Liability. This endorsement limits apply on a Combined Limits basis.

#### 1. Combined Limits

- a) This endorsement's Combined Policy Aggregate Limit is **our** maximum liability for loss under all Insuring Agreements combined, inclusive of **data breach response and crisis management costs** regardless of the number of **claims**, Insuring Agreements triggered or individuals or entities making **claims**. Upon exhaustion of such limit of liability, **we** will not be liable to pay any further loss with respect to this endorsement.
- b) If a **sublimit** with respect to an Insuring Agreement is stated, then such **sublimit** will be **our** maximum liability for loss with respect to such Insuring Agreement. Upon exhaustion of such **sublimit**, **we** will not be liable to pay any further loss with respect to the coverage provided by the subject Insuring Agreement. Each **sublimit** will be part of, and not in addition to, this endorsement's Combined Policy Aggregate Limit of Liability and will in no way serve to increase or supplement such limit of liability. All payments made under a **sublimit** will reduce such limit of liability.

#### 2. Exhaustion of Limit

- a) Upon exhaustion of the Combined Policy Aggregate Limit of Liability under the Combined Limits option or the Third Party and First Party Aggregate Limit of Liability or after **we** may deposit or escrow with a court of competent jurisdiction any amounts remaining in the Endorsement's aggregate limit of liability prior to exhaustion, **we** will not be liable to pay any further loss under the endorsement.

### B. Retentions.

1. Solely with respect to coverage provided on a Combined Limits basis, **we** are liable only for that portion of covered **damages, regulatory damages,** and **claim expenses** resulting from a **third party wrongful act** and for that portion of covered **first party costs** resulting from a **first party incident** that is in excess of the applicable Insuring Agreement's retention amount. If more than a single retention applies to a **claim** and/or **first party incident**, then **you** are responsible for paying the highest applicable deductible.

C. Related Matters and Related Losses.

1. Related Third Party Wrongful Acts

- a) Covered **claims** resulting from **related matters** will be treated as a single **claim first made** against **you** at the time the first such **related matter** occurred irrespective of whether such **related matter** occurred prior to or during the policy period and irrespective of the number of **related matters**, the identity or number of **insureds** involved, or the number and timing of such **related matters**.

2. Related First Party Incidents

- a) All **related matters** involving **first party incidents** (other than **cyber-extortion threats**) will be considered a single **first party incident** which shall be deemed to have been discovered on the date on which the earliest such **first party incident** was discovered by **you**.
- b) All **related matters** involving **cyber-extortion threats** will be considered a single **cyber-extortion threat** first occurring on the date the first such **cyber-extortion threats** occurred.

3. Related Loss

- a) All **loss** will be considered a single **loss** occurring on the date the first **related matter** giving rise to such **loss** first occurred or is first discovered, irrespective of the number of **related losses**, the identity or number of **insured's** involved or the number and timing of such **related losses**.

IV. **Definitions**

The following definitions are applicable to this Endorsement only. They may amend definitions located in Section II General Definitions of this policy.

- A. Breach Response Providers means **our** pre-approved breach response providers available upon request from **us**.
- B. Claim means
  1. A written demand for monetary **damages**, services, or injunctive or other non-monetary relief;
  2. A civil proceeding for monetary **damages**, services, or injunctive or other non-monetary relief that is commenced by service of a complaint or similar pleading, including any appeal thereof;
  3. A mandatory arbitration or other mandatory alternative dispute resolution proceeding for monetary **damages**, services, or injunctive or other non-monetary relief that is commenced by a written demand, including any appeal thereof, or a non-mandatory arbitration or other alternative dispute resolution proceeding to which **we** have consented in writing; and

4. A **privacy regulatory action** with respect Privacy Regulatory Defense, Awards and Fines.
- C. Claim Expenses means
1. Reasonable and necessary fees for the defense of a covered **claim** defended by an attorney selected by **us**, for Defense and Settlement as well as other reasonable and necessary fees, costs and expenses that result from the investigation, adjustment, negotiation, arbitration, defense or appeal of a covered **claim**; and
  2. Premiums on appeal bonds, attachment bonds or similar bonds, but **we** are not obligated to apply for or furnish any such bond.
- D. Claim Avoidance Costs means
1. Those costs incurred by **you** whose intention is to avert a **claim** that may arise from a circumstance **you** report in accordance with Notice of Circumstance.
  2. Claim Avoidance Costs do not include:
    - a) payments recoverable by **you**;
    - b) any element of profit for **you**;
    - c) any charge or credit against any fee owed or payable to **you**; and
    - d) costs, fees or other expenses **you** incur to establish or document the existence or amount of **claim avoidance costs**.
- E. Confidential Business Information means
1. Any non-public third-party business information, whether encrypted or unencrypted, that cannot be lawfully obtained or known by the general public, including trade secrets, customer lists, drawings, financial information and marketing plans that are provided to **you** by a third party.
- F. Consumer Redress Amount means that sum of money that **you** are legally obligated to deposit in a fund for the payment of consumer claims as the result of a litigated **privacy regulatory action** or by written agreement by the claimant, **you** and **us**.
- G. Cyber-Extortion Expenses means
1. Reasonable and necessary money, property or other consideration surrendered as payment by or on behalf of **you** to which **we** have consented, such consent may not be unreasonably withheld, in order to avert or limit a **cyber-extortion threat**; and
  2. The reasonable and necessary costs agreed to by **you** and **us** to conduct an investigation to determine the cause and scope of a **cyber-extortion threat**.
- H. Cyber-extortion threat means
1. A threat against a **network first made** by a person or group, whether acting alone or in collusion with others, demanding payment or a series of payments in consideration for the elimination, mitigation or removal of the threat during the policy period to:

- a) disrupt **your** business operations;
  - b) alter, damage, or destroy data stored on the **network**;
  - c) use the **network** to generate and transmit malware to third parties;
  - d) deface **your** website; and
  - e) access **personally identifiable information, protected health information or confidential business information** stored on the **network**.
- I. Cyber Security Breach means any unauthorized: access to, use or misuse of, modification to the **network**, and/or denial of **network** resources by attacks perpetuated through malware, viruses, worms, and Trojan horses, spyware and adware, zero-day attacks, hacker attacks and denial of service attacks.
- J. Damages means
1. Compensatory **damages** resulting from a judgment, award or settlement agreement, including pre-judgment and post-judgment interest, which **you** become legally obligated to pay on account of a covered **claim**; and
  2. Punitive, exemplary **damages** and multiple **damages**, if the insuring of such **damages** is permitted under the laws and public policy of the jurisdiction under which the endorsement is construed. Enforceability of punitive, exemplary **damages** and multiple **damages** will be governed by the applicable law that most favors coverage for such **damages**.

**Damages** do not include:

1. the return of any fees paid to **you** or the offset of any future fees to be charged by or owed to **us**;
2. lost investment income;
3. costs incurred by **you** to withdraw or recall **technology products**, including products that incorporate an **Insured's technology products, technology services or professional services**;
4. costs incurred by **you** to correct, re-perform or complete any **technology services or professional services**;
5. costs incurred by **you** or by a third party at the direction of **us** to remediate, repair, replace, restore, modify, update, upgrade, supplement, correct or otherwise improve a **network** to a level of functionality beyond that which existed prior to a **cyber-security breach**;
6. civil or criminal fines or penalties or compliance violation remedies imposed on **you**; provided, however, this provision does not apply to the coverage provided under Privacy Regulatory Defense, Awards and Fines;
7. liquidated damages in a written contract or agreement in excess of **your** liability that otherwise result from a **third party wrongful act**;
8. the monetary value of an electronic fund transfer or transaction that is lost or diminished during transfer;

9. any amounts incurred prior to **you** providing notice of a **claim**;
  10. the value of non-monetary relief, including any amount attributable to or arising therefrom; and
  11. royalty or licensing fees or payments.
- K. Data Breach means the actual or reasonably suspected theft, loss or unauthorized acquisition of data, which **you** first become aware of during the policy period that has or may compromise the security, confidentiality and/or integrity of **Personally Identifiable Information, protected health information or confidential business information**.
- L. Data Breach Reporting Requirement means any provision in a law, statute or regulation, domestic or foreign, that requires **you** to provide notification to affected persons of a breach of such person's **personally identifiable information or protected health information**.
- M. Data Breach Response and Crisis Management Costs means
1. Costs charged by **breach response providers** to:
    - a) determine the legal applicability of and actions necessary to respond to a **data breach reporting requirement**;
    - b) perform computer forensics to determine the existence, cause and scope of a **data breach or cyber security breach**;
    - c) notify individuals of a **data breach** who are required to be notified pursuant to any **data breach reporting requirement**;
    - d) voluntarily notify individuals of a **data breach** who may not be required to be notified under an applicable **data breach reporting requirement**;
    - e) operate a call center to manage **data breach** inquiries;
    - f) provide credit or identity monitoring and identity protection and restoration services or any similar service for those individuals whose **personally identifiable information** was or may have been breached;
    - g) provide medical identity restoration for those individuals whose **protected health information** was or may have been breached;
    - h) minimize harm to **your** reputation by hiring a public relations or crisis communications firm, and
  2. Any reasonable and necessary costs charged by a qualified provider who is not a **breach response providers** and who **we** have consented in writing, such consent may not be unreasonably withheld, prior to the services being rendered to provide comparable services to those detailed in 1.(a) through 1.(h) above; provided, however, the maximum rate **we** will pay for such services shall not exceed the **breach response providers** pre-negotiated rates; and
  3. Costs charged by a PCI Forensics Investigator to perform forensics to determine the existence, cause and scope of a breach or suspected breach of cardholder data.
- N. Data Recovery Expenses means

1. Reasonable and necessary costs incurred by **you** with **our** prior written consent, such consent may not be unreasonably withheld, to:
  - a) determine whether damaged or destroyed computer programs, software or electronic data can be replaced, recreated, restored or repaired; and
  - b) replace, recreate, restore or repair such damaged or destroyed computer programs, software or electronic data residing on the **network** to substantially the form in which it existed immediately prior to a **cyber-security breach**.
  
- O. Extra Expense means reasonable and necessary expenses in excess of **your** normal operating expenses that **you** incur to reduce or avoid **loss of business income**.
  
- P. First Party Costs means any **loss of business income, extra expense, data recovery expenses, cyber-extortion expenses, data breach response and crisis management costs** and **claim avoidance costs**. **First party costs** do not include any amounts incurred prior to **you** providing notice of the **first party incident**.
  
- Q. First Party Incident means a **cyber-security breach, cyber-extortion threat** or **data breach**.
  
- R. Loss means all **damages, claim expenses, regulatory damages** and **first party costs**.
  
- S. Loss of Business Income means
  1. Net income (net profit or **loss** before income taxes) that could have reasonably been earned or net **loss** that would have been avoided; and
  2. Continuing normal and reasonable operating expenses, including payroll.
  3. A **loss of business income** calculation is based upon the amount of actual **loss of business income you** sustain per hour during the **period of restoration**.
  
- T. Matter means the content of any communication of any kind whatsoever, whether public or private, regardless of the nature or form of such content or the medium by which such content is communicated, including but not limited to language, data, facts, fiction, music, photographs, images, artistic expression, or visual or graphical materials.
  
- U. Media Wrongful Act means
  1. Any:
    - a) libel, slander, or any other form of defamation or harm to the character or reputation of any person or entity, including product disparagement or trade libel;
    - b) copyright infringement or misappropriation of property rights, information or ideas or dilution or infringement of title, slogan, trademark, trade name, service mark or service name;
    - c) common law unfair competition or unfair trade practices alleged in conjunction with the acts described above;
    - d) invasion or infringement of the right of privacy or publicity, including the torts of intrusion upon seclusion, publication of private facts, false light, and misappropriation of name or likeness;

- e) infliction of emotional distress or mental anguish;
  - f) false arrest, detention or imprisonment, harassment, trespass, wrongful entry or eviction, eavesdropping, or other invasion of the right of private occupancy;
  - g) plagiarism, piracy or misappropriation of ideas under implied contract; and
  - h) economic harm to a third party directly resulting from the party's reliance or failure to rely upon the content of **matter** which is false or erroneous,
  - i) for all items a) through h) above, resulting from **your** acquiring, blogging, broadcasting, collecting, disseminating, distributing, editing, exhibiting, gathering, obtaining, producing, publishing, releasing, researching, recording, tweeting or uttering **matter** through traditional and digital methods including but not limited to cable television, radio, movie and music studios, newspapers, magazines, books and print publications, website, apps, CD-ROMs and DVDs.
- V. Network means a connected system of computing hardware, software, firmware and associated electronic components under the ownership, operation or control of, or leased by **you**.
- W. Outsourced Provider means any third party, including a cloud service provider, to which **you** have contracted to provide **professional services** or to process, maintain or transmit **personally identifiable information, protected health information** or **confidential business information** on behalf and for the benefit of **you**.
- X. Period of Restoration means
1. That period of time that begins at the end of the **waiting period** and which continues until the earlier of:
    - a) the date **your** operations are restored to the condition that existed immediately prior to the **cyber security breach**; or
    - b) one hundred twenty (120) days after the date of the **cyber security breach**.
- Y. Personally identifiable information means any information, whether printed or digital, encrypted or unencrypted, in **your** or **outsourced provider's** care, custody or control, that alone or in conjunction can be used to uniquely identify an individual, including but not limited to such information as name, social security number, address, birth date, physical characteristics, IP address, biometric record, unique mobile device identifier, geo-location data, mobile telephone number, email address, user name, text message or email, call log, contacts and address book entries, financial or payment information, health or medical information, photos or videos or internet browsing history and non-public personal information as defined by the Gramm-Leach-Bliley Act; provided, however, **personally identifiable information** does not include information that is lawfully available to the general public.
- Z. Privacy and Security Wrongful Act
1. Any:
    - a) **Loss** of or failure to protect **personally identifiable information, protected health information** or **confidential business information**;
    - b) violation of any law, statute or regulation governing the authenticity, availability, confidentiality, storage, control, disclosure, integrity or use of **personally identifiable information** or **protected health information**;

- c) violation of a **data breach reporting requirement**,
  - d) failure to reasonably implement privacy or security practices required by governmental law or regulations; and
  - e) failure to prevent a cyber-security breach that results in:
    - (1) the inability of an authorized user to gain access to the **network**;
    - (2) the malicious addition, alteration, copy, destruction, deletion, disclosure, damage, removal or theft of data residing on the **network**;
    - (3) a denial of service attack emanating from the **network** which damages or destroys third party's hardware, computer programs or electronic data residing on a third party's **network**; or
    - (4) the transmission of malware from the **network** to third parties.
- AA. Privacy Regulatory Action means a written request for information, civil investigative demand or civil proceeding brought by or on behalf of a governmental or regulatory authority first initiated during the policy period against **you** that results from an actual or alleged **privacy and security wrongful act** by **you**, an **outsourced provider** or a **rogue employee**.
- BB. Privacy Regulatory Fine means a civil monetary fine or penalty imposed on **you** by a governmental or regulatory authority.
- CC. Professional Service means the services stated in this endorsement.
- DD. Protected Health Information means all protected and individually identifiable health information, whether printed or digital, encrypted or unencrypted, held or transmitted by **you** or **your** business associate, as those terms are defined by HITECH, the Health Insurance Portability and Accountability Act of 1996 Privacy Rule or any amendment thereto, including the Health Information Technology for Economic and Clinical Health Act and final Omnibus Rule issued on January 17, 2013.
- EE. Regulatory Damages means any **consumer redress amount** and **privacy regulatory fines**.
- FF. Related Losses means all **losses** that are directly arise from the same, similar or continuous **claims** or **first party incidents**.
- GG. Related Matters means
1. All **third party wrongful acts** that are the same, similar or arise from a continuous nexus of facts, circumstances, acts, errors or omissions, whether logically, causally or connected; and
  2. All **first party incidents** that are the same, similar or arise from a continuous nexus of facts, circumstances, acts, errors or omissions, whether logically, causally or connected.
- HH. Retroactive Date means the applicable date, if any, stated in on the Declarations page for each Insuring Agreement in Third Party Liability Coverages.
- II. Rogue Employee means **your** employee who deliberately acts outside the course and scope of employment and whose intentional conduct results in a **claim**; provided, however, **rogue employee** does not include an executive officer.



JJ. Sublimit means the applicable amount, if any, stated on the Declarations page for each Insuring Agreement within each Coverage Section.

KK. Technology and Professional Services Wrongful Act means

1. Any:

- a) act, error, omission, neglect, negligent misrepresentation or breach of duty;
- b) injury to a person arising out of defamation, including libel, slander, or other defamatory or disparaging statements or materials;
- c) infringement of an intellectual property right except as otherwise excluded in Patent and Trade Secrets;
- d) the failure of **technology products** to perform the intended function or serve their intended purpose; and
- e) the failure of **technology services, professional services** or **technology products** to meet any applicable legal standard concerning quality, safety or fitness for a particular purpose.

LL. Technology Products means

1. Computer or telecommunications hardware or software products, components or peripherals or electronic products or components:
  - a) created, designed, distributed, manufactured, or sold by **you** or on **your** behalf and for **your** benefit; and
  - b) leased or licensed by **you** to third parties, including software updates, service packs and other maintenance releases provided for such products.

MM. Technology Services means any computer, cloud computing, information technology, telecommunication, electronic services and any related consulting and staffing services including but not limited to data processing, data and application hosting, the provision of managed services, software as a service (SaaS), platform as a service (PaaS), infrastructure as a service (IaaS), network as a service (NaaS), computer systems analysis, computer consulting and training, programming, computer systems installation, management, repair, and maintenance, network design and Internet service.

NN. Third Party Wrongful Act means a **technology and professional services wrongful act, media wrongful act** and **privacy and security wrongful act**.

OO. Waiting Period means the number of hours, if any, stated on the Declarations page that must elapse prior to commencement of the **period of restoration**.

## II. Exclusions

The following exclusions are applicable to this Endorsement only. It may amend exclusions located in Section IV General Exclusions of this policy.

The Policy does not apply to any **claim** or **first party incident** alleging, arising out of, based upon or attributable to:

- A. Deliberate Acts

1. Dishonest, intentional or knowing wrongful, fraudulent, criminal or malicious:

- a) acts, errors or omissions, willful violations of law, including privacy laws or regulations, by an **Insured**, other than a **rogue employee** as applicable; provided, however, **we** will provide **you** with a defense of any otherwise covered **claim** and pay any otherwise covered **claim expenses** until it has been finally determined that such dishonest, intentional or knowing wrongful, fraudulent, criminal or malicious conduct was committed by **you** or by way of a plea by **you** of guilt or no contest, at which time **you** shall reimburse **us** for all **claim expenses**. Notwithstanding the foregoing, criminal proceedings are not covered under the endorsement regardless of the allegations made against **you**. For the purposes of determining the applicability of this exclusion the knowledge of or conduct by:

- (1) a natural person insured will not be imputed to any other natural person insured; and
- (2) an executive officer will be imputed to **you**.

B. Personal Profit

1. The gaining of any profit, remuneration, or financial or non-financial advantage by **you** to which **you** would not be entitled; provided, however, **we** will provide **you** with a defense of any otherwise covered **claim** and pay any otherwise covered **claim expenses** alleging any such gain until it has been finally determined that such gain was improper or illegal, at which time **you** shall reimburse **us** for all **claim expenses**.

C. Uninsurable Matters

1. **Matters** deemed uninsurable under the law pursuant to which the endorsement is construed.

D. Prior Acts

1. **Third party wrongful acts** occurring prior to the **retroactive date** and **first party incidents** discovered prior to the effective date.

E. Bodily Injury and Property Damage

1. Bodily injury, sickness, disease, emotional distress, mental injury, mental tension, mental anguish, pain and suffering, humiliation or shock sustained by any person, including death that results from any of these, or damage to or destruction of any tangible property, including **loss** of use thereof whether or not it is damaged or destroyed; provided, however, this exclusion will not apply to any otherwise covered **claim** for emotional distress, mental injury, mental tension or mental anguish, pain and suffering, humiliation or shock that directly results from a covered **third party wrongful act**.

F. Employment Practices

1. The following actually or allegedly occurring in connection with a person's employment or application for employment with **you**: discrimination, retaliation, sexual or any other type of harassment, wrongful dismissal, discharge or termination, whether actual or constructive, wrongful discipline, wrongful deprivation of career opportunity, wrongful demotion or change in employment status, wrongful evaluation, negligent hiring, discipline, supervision or retention, failure to promote, failure to grant tenure, employment related misrepresentation, failure to adopt or comply with adequate workplace or employment policies or procedures, failure to

train, breach of any oral, written, or implied employment contract; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security.

G. Owned Entity

1. **Claims** made against **you** if, at the time the **third party wrongful act** giving rise to such **claim** was committed:
  - a) **you** controlled, owned, operated or managed the claimant; or
  - b) **you** were an owner, partner, director, officer or employee of the claimant.

H. Insured Versus Insured

1. **Claim** made against **you** and brought by, or on behalf of **you, your** successor or assignee of **you**; provided, however, this exclusion shall not apply to an otherwise covered **claim** made by any past, present or future officer, director, member, principal, partner, trustee, employee or leased worker or temporary employee of **yours**, when the **claim** is made outside of their capacity and pursuant to their authority as such, or to **you** alleging a **privacy and security wrongful act**.

I. ERISA

1. Breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violations of the responsibilities, obligations or duties imposed upon fiduciaries by ERISA, the Employee Retirement Income Security Act of 1974, or any analogous federal, state or local statutory or common law; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security.

J. Securities

1. The purchase, sale, or offer or solicitation of an offer to purchase, sell or solicit securities or any violation of a securities law, including the Securities Act of 1933, the Securities Exchange Act of 1934, and any regulation promulgated under or pursuant to the foregoing, or any federal, state or local laws analogous to the foregoing (including "Blue Sky" laws), whether such law is statutory, regulatory or common law.

K. RICO

1. Violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act, or "RICO") and any regulation promulgated under or pursuant to the foregoing or any federal, state or local law analogous to the foregoing, whether such law is statutory, regulatory or common law.

L. Antitrust and Unfair Competition

1. Unfair methods of competition and unfair or deceptive acts or practices including deceptive advertising and pricing, price fixing, restraint of trade, monopolization or any violation of the Sherman Act, the Clayton Act, the Robinson-Patman Act, the Federal Trade Commission Act, or any other federal, state or local law, whether statutory, regulatory or common law, addressing anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security and an otherwise covered **claim** resulting from **media wrongful act** under Media.

M. Unsolicited Communications

1. Unsolicited electronic dissemination of faxes, e-mails or other communications by or on **your** behalf to actual or prospective customers of **yours** or any other third party, including but not limited to actions brought under the Telephone Consumer Protection Act, the CAN-SPAM Act of 2003 or other analogous federal, state or local statute, law, regulation or common law; provided, however, this exclusion shall not apply to an otherwise covered **claim** directly resulting from a **cyber-security breach** under Privacy and Cyber Security and **any loss of business income** otherwise covered under Business Interruption and Extra Expense.

N. Patent

1. Actual, alleged or attempted infringement, misappropriation, dilution, misuse or inducement to infringe, misappropriate, dilute or misuse any patent or patent right.

O. Trade Secrets

1. Actual, alleged or attempted or misappropriation of trade secrets; provided, however, this exclusion shall not apply to an otherwise covered **claim** directly resulting from a **cyber-security breach** under Privacy and Cyber Security.

P. Contractual

1. Any obligation **you** have under written contract; provided, however, this exclusion shall not apply to liability **you would** have in the absence of a contract or an **your**:
  - a) breach of an exclusivity or confidentiality provision contained in a written agreement;
  - b) violation of an intellectual property right except a violation of a patent right;
  - c) negligent performance of **technology services** or **professional services** for a client or customer; or
  - d) provision of **technology products** to a client or customer which contain a material defect.

Q. Force Majeure

1. Fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, or act of God, however caused.

R. Infrastructure Failure

1. Electrical, mechanical, Internet, telecommunication, cable or satellite failure, fluctuation or outage not under **your** operational control, however caused, including but not limited to any electrical power interruption, short-circuit, surge, brownout or blackout.

S. Governmental Orders

1. Any court order or demand requiring **you** to provide law enforcement, administrative, regulatory or judicial body or other governmental authority access to **personally identifiable information, protected health information** or **confidential business information**.

T. Over-Redemption

1. Price discounts, prizes, awards, coupons or any other valuable consideration given in excess of the contracted or expected amount.

U. Unauthorized Collection And Use

1. Unauthorized or unlawful collection, acquisition or use of **personally identifiable information** or **protected health information**; provided, however, this exclusion shall not apply to a **claim** directly resulting from the acts of a **rogue employee**.

### III. Notice

A. Notice of Circumstance

1. Solely with respect to Technology and Professional Services, Media, Privacy and Cyber Security and Privacy Regulatory Defense, Awards and Fines, if during the policy period or the extended reporting period (if applicable), **you** first become aware of any circumstance that may reasonably be expected to be the basis of a **claim** against **you**, and if during the policy period **you** provides **us** written notice of the circumstance along with any **third party wrongful act**, the reasons for anticipating such **claim**, with full particulars as to the dates, persons and entities involved, then any resulting **claim** that is both **first made** against **you** and reported to **us** during the policy period or the extended reporting period (if applicable) that arises out of such circumstance or **related matter** will be considered made at the time such notice of circumstance was provided.

B. Notice of Claim and First Party Incident

1. **You**, as a condition precedent to the obligations of **ours** under the endorsement, must provide to **us** written notice of any **claim** made against **you** and any **first party incident** discovered as soon as reasonably practicable after **you** become aware of such **claim** or **first party incident**. Notwithstanding the foregoing, each **claim** under a Third-Party Liability Coverage Section must be reported to **us** as soon as reasonably practicable after **you** become aware of such **claim**, but in no event, later than sixty (60) days after the end of the policy period.

C. Notice to Whom

1. Notice of a **claim** and/or **first party incident** must be provided to **us** and notice of a **third party wrongful act** or circumstance may be reported to **us** as stated in on the Declarations page.
2. The email/certified post mail defined above shall be deemed effective when received by **us**.

D. When A **Claim** Is Deemed Made

1. A **claim** will be deemed made pursuant to definition of **claim** clause:
  - a) on the earliest date **you** receive the first written demand;
  - b) on the date of service; and
  - c) on the date **you** receive written notice of such action.

E. Insured's **Claim** and First Party Incident Obligations

1. In connection with a **claim**, **you** will, as a condition precedent to the obligations of **us** under the endorsement, provide **us** with all information that **we** reasonably require, including full particulars as to the dates, persons and entities involved in the **claim** and the manner in which **you** first became aware of the **claim**;
2. In connection with a **first party incident**, as a condition precedent to the obligations of **us** under the endorsement, **you** will provide **us** proof of loss, duly sworn to, with full particulars, within three (3) months after the first discovery by an executive officer of the **first party incident** (other than a **cyber-extortion threat**) or first occurrence of the **cyber-extortion threat**.

F. Assistance and Cooperation

1. **You** will reasonably cooperate with **us** and upon **our** request:
  - a) assist **us** in the investigation of any **third party wrongful act** and **first party incident**;
  - b) attend hearings, depositions and trials;
  - c) assist **us** in defending and effecting settlements of **claims**;
  - d) secure and provide evidence which includes but not limited to obtain the attendance of witnesses;
  - e) allow **us** to participate in the handling and management of any suit or proceeding;
  - f) assist **us** in enforcing any right, contribution or indemnity against a third party which may be liable to **you**; and
  - g) allow a computer forensics expert access to systems, files and information.
2. **You** will take all reasonable steps to limit and mitigate any **loss** arising from any **third party wrongful act** or **first party incident** for which coverage may be or is sought under the endorsement. **You** will do nothing which in any way increases **our** exposure under the endorsement or in any way prejudices **our** potential or actual rights of recovery.

**Nothing herein contained shall be held to vary, alter, waive or extend any of the Section I General Insuring Agreements, Section II General Definitions, Section III General Conditions, Section IV General Exclusions or any specific Section insuring agreements, definitions, conditions, or exclusions to which this endorsement is attached other than as above stated.**

## #4 PUBLIC LAND FIRE SUPPRESSION AMENDATORY ENDORSEMENT

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### **A. Insuring Agreements Applicable to Public Land Fire Suppression Liability**

1. Notwithstanding anything to the contrary contained in the policy to which this endorsement attaches, it is hereby understood and agreed that section IX, General Liability Insurance, is extended to pay for legally obligated and statutorily allowable costs imposed by state or federal government agencies specifically related to the suppression of fire only if such costs arise out of a covered **occurrence**.

### **B. Insuring Agreements Applicable to Public Land Fire Suppression Liability**

1. This endorsement is limited to \$500,000 per **occurrence** and in the annual aggregate.

### **C. Exclusions Applicable to Public Land Fire Suppression Liability**

1. This endorsement will not pay for penalties or fines imposed pursuant to state or federal law under any circumstance.

**Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.**

## #5 TERRORISM LIABILITY AMENDATORY ENDORSEMENT

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### **A. Insuring Agreement Applicable to Terrorism Liability Amendatory Endorsement:**

The following insuring agreement is applicable to this Endorsement only and amends Insuring Agreement 1 located Section IX General Liability.

1. **We** agree to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** to others because of **bodily injury** or **property damage** caused by an act of **terrorism**.

### **B. Definition Applicable to Terrorism Liability Amendatory Endorsement:**

1. **Terrorism** means an act or series of acts, including the use of force or violence, of any person or groups of persons, whether acting alone or on behalf of or in connection with any organizations, committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

### **C. Conditions Applicable to Terrorism Liability Amendatory Endorsement:**

1. This coverage is sublimited to \$500,000 per occurrence and in the aggregate annually;
2. The limits of indemnification shall be reduced by all sums paid by worker's compensation benefits or similar disability law if the claimant is **your** employee or volunteer;
3. This coverage is extended to pay for legally obligated and statutorily allowable costs imposed by state or federal government agencies specifically related to the suppression of fire only if such costs arise out of a covered **occurrence**.

**Nothing herein contained shall be held to vary, alter, waive or extend any of the Section I General Insuring Agreements, Section II General Definitions, Section III General Conditions, Section IV General Exclusions or any specific Section insuring agreements, definitions, conditions, or exclusions to which this endorsement is attached other than as above stated.**



## #6 ASBESTOS REMEDIATION AMENDATORY ENDORSEMENT

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The following insuring agreement is applicable to this Endorsement only and amends Insuring Agreement 1 located Section V Property. Also, the below listed insuring agreement is subject to Section I General Insuring Agreement, Section II General Definitions, Section III General Conditions and Section IV General Exclusions of this policy, unless amended as stated within this Endorsement.

**A. Section V does not cover**

1. Asbestos removal from any good, product or structure unless the asbestos is itself damaged by fire, lightning, **aircraft** impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, leakage or accidental discharge from automatic fire protective system.
2. Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos.
3. Any governmental direction or request declaring that asbestos present in or part of or utilized on any undamaged portion of a **named insured's** property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

**Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.**

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# **ICRMP**

## *Multi-Lines*

# **Insurance Policy**

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This Policy of Insurance is issued by ICRMP for all public entity Members to be effective 12:01 A.M., October 1, 2018 for one-year thereafter, unless sooner terminated, for all continuing Members pursuant to and consistent with the Joint Powers Subscribers Agreement approved by the ICRMP Board of Trustees to be effective for the policy year beginning at the time above stated.

ICRMP provides access to its program through Idaho independent agents. Our program's growth and stability have been enhanced by the agents we have authorized to work with you. We pay your agent a fixed percentage of the member contribution you pay us. This compensation is to encourage independent agents to recommend ICRMP to public entities and to compensate agents for their services and expertise. If you have questions regarding your agent's compensation, please contact us.

**VEHICLE INSURANCE IDENTIFICATION CARD  
STATE OF IDAHO**

Idaho Counties Risk Management Program, Underwriters  
3100 Vista Avenue, Suite 300, P.O. Box 15249  
Boise, Idaho 83715

This Certificate may be used in lieu of the original Contract of Liability Insurance to demonstrate the current existence of liability insurance while such contract is in effect.

**THIS POLICY COVERS ALL VEHICLES  
OWNED OR LEASED.**

Policy Number: **38A18024100118** contains minimum liability insurance to meet the requirements of Idaho Code, Section 49-245.

<b>EFFECTIVE DATES:</b>	<b>NAME AND ADDRESS OF INSURED:</b>
October 1, 2018	McCall Urban Renewal
Continuous	216 E Park Street
Until Cancelled	McCall, ID 83638

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**KEEP THIS CERTIFICATE IN YOUR VEHICLE AT ALL TIMES  
AND MUST BE PRESENTED UPON DEMAND**

---

CLAIMS AGENT:  
Idaho Counties Risk Management Program, Underwriters  
P.O. Box 15249  
Boise, Idaho 83715  
Phone: (208) 336-3100 FAX: (208) 336-2100

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CLAIMS AGENT:  
Idaho Counties Risk Management Program, Underwriters  
P.O. Box 15249  
Boise, Idaho 83715  
Phone: (208) 336-3100 FAX: (208) 336-2100

**McCall Urban Renewal Vehicle Report** Agent: **Marty Koch**

Department: **All Departments** Sorted By: **Year** Total Value: **\$0**

**McCall Urban Renewal Building Report** Agent: **Marty Koch**

Sorted By: **Description** Total Buildings: **\$0** Total Contents: **\$0**

**McCall Urban Renewal Property Not Related to Buildings** Agent: **Marty Koch**

Department: **All Departments** Sorted By: **Description** Total Value: **\$0**

**McCall Urban Renewal Mobile Equipment Under \$25,000 Report** Agent: **Marty Koch**

Description: **Summary** Value: **\$0**

Effective: **1/8/2007 12:00:00 AM** Modified: **n/a** Modified By: **n/a**

**McCall Urban Renewal Mobile Equipment Over \$25,000 Report** Agent: **Marty Koch**

Department: **All Departments** Sorted By: **Description** Total Value: **\$0**



August 17, 2018

TO: McCall Urban Renewal

RE: Terrorism Coverage for Policy Year Effective October 1, 2018

Dear Valued ICRMP Member:

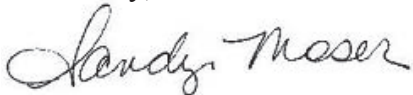
Following the events of September 11, 2001, the nation's largest insurers took their case to Congress concerning their ability to withstand the financial consequences of additional terrorist acts that might take place on American soil. As a consequence, Congress enacted the Terrorism Risk Insurance Act (TRIA) that is intended to protect insured property owners by assuring that their property insurers are not overwhelmed by terrorism-driven claims. Local government risk sharing pools generally were excluded from TRIA.

Because ICRMP is regulated under Idaho law as a reciprocal insurer, federal law requires ICRMP to offer complete terrorism property coverage to its Members. This offering, which is additional to the regular coverage provided by the ICRMP Program, would require payment of an additional Member contribution, based upon the value of the property assets to be covered. An explanation is provided on the accompanying offer sheet.

You should understand that your ICRMP Member agency is under no obligation to accept the terrorism coverage that we are required to offer. In fact, the ICRMP Board of Trustees has purchased excess insurance for Members of ICRMP (as a whole) in the amount of fifty million dollars (\$50,000,000) per year. The coverage provided for all Members is available to be shared among any Members affected by acts of terrorism during a policy year. The Board believes this is a more cost-effective way of addressing this potential exposure. It is included in your regular ICRMP coverage **at no additional cost to you.**

The decision regarding terrorism coverage belongs to your governing board. Please complete the offer sheet evidencing your agency's desire to procure additional terrorism coverage and pay an additional Member contribution, or to reject it and share in the coverage procured for all ICRMP Members. In order to comply with the law, we need your answer promptly. Thank you.

Sincerely,



Sandy Moser  
Underwriting Manager

**NOTICE - OFFER OF TERRORISM COVERAGE  
(Required by Federal law)**

**NOTICE – DISCLOSURE OF ADDITIONAL PREMIUM**

TO: ICRMP Member:

The Terrorism Risk Insurance Act, as extended on December 26, 2007 by the enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), is a U.S. Treasury Department program under which the federal government would share, with regulated insurance carriers, the risk of loss from terrorist attacks. The Act applies when the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, certifies that an event meets the definition of a “certified act of terrorism”. Certified acts of terrorism can also include foreign or domestic acts of terrorism, but they still must be certified as such by the Federal officers listed above.

In accordance with the Terrorism Risk Insurance Act, as extended on December 26, 2007, we are required to offer you coverage of all of the property we insure that your agency owns against any “certified act of terrorism”. Your public agency must decide whether you desire the coverage (for an additional premium) or whether you choose to reject the offer of coverage and not pay the premium. The choice belongs to the governing board.

If you choose to accept this offer of terrorism coverage, your premium will include the additional premium for terrorism as stated in this disclosure. If you choose to reject this offer, you must do so by signing the enclosed statement and returning it to your agent, Marty Koch at (208) 459-1678 or mail directly to ICRMP at P.O. Box 15249, Boise, Idaho, 83715.

If you reject coverage under the Act, the ICRMP policy provided to your public entity will provide an alternative form of coverage of terrorism-related insurance. Rather than cover the entire value of every item of property every public entity member of ICRMP might insure, the alternative form of coverage will provide a fixed amount of coverage (50 million dollars) for the entire membership of ICRMP during any single policy year. If terrorism-caused covered losses do not exceed 50 million dollars during any single policy year, such losses will be paid in full, subject to policy terms and conditions. If total terrorism-caused losses exceed 50 million dollars in the current policy year, such losses will be paid on a *pro-rata* basis among members suffering covered terrorism-caused losses, in proportion to their covered losses expressed as a percentage of all covered losses. Coverage under this alternative process shall not require certification by the Federal officials pursuant to TRIPRA.

**Named Insured: McCall Urban Renewal**

***DISCLOSURE OF PREMIUM***

**If you accept this offer, the premium for terrorism coverage is estimated to be an additional amount of \$5,000 over and above your proposed renewal Member contribution based on reported total insured values of \$0.**

**CONTINUED ON NEXT PAGE**

**IF YOU WISH TO REJECT COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT, AS EXTENDED ON DECEMBER 26, 2007, THE NAMED INSURED MUST APPROVE AND SIGN THE FOLLOWING STATEMENTS:**

**TERRORISM RISK INSURANCE ACT REJECTION OF FULL COVERAGE**

We, as a Member of ICRMP, acknowledge that we have been notified as required under the Terrorism Risk Insurance Act, as extended on December 26, 2007, that as respects to the above referenced policy of insurance policy referenced above:

1. We have been offered coverage for acts of terrorism as defined in the Act;
2. We have been advised that if we accept coverage for acts of terrorism as defined in the Act, the United States Government will participate in the payment of terrorism losses insured under the Act, subject to the provisions of the Act;
3. We have been told that if we reject coverage under the Act by signing this notice, to the extent allowed by law, we will have only our respective share of the alternative coverage for any act of terrorism under the policy issued by ICRMP.
4. We have been notified of the annual premium for coverage for acts of terrorism as defined in the Act.
5. We hereby **reject** coverage for acts of terrorism as defined in the Act and understand my policy will contain an exclusion for acts of terrorism as defined by TRIPRA, but will otherwise provide limited coverage concerning acts of terrorism as addressed by the ICRMP policy issued annually to Members.

\_\_\_\_\_  
Chief Executive/Administrative Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print

\_\_\_\_\_  
public office held

McCall Urban Renewal

Public Entity Name

**RETURN THIS FORM TO YOUR AGENT OR ICRMP. A COPY OF THIS DOCUMENT IS AS BINDING AS THE ORIGINAL.**

**ATTENTION AGENT: THIS FORM MUST BE SIGNED PERSONALLY BY AN AUTHORIZED OFFICER OF THE INSURED AND RETURNED TO ICRMP.**

## Rachel Santiago-Govier

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**From:** Kurt Wolf  
**Sent:** Monday, September 10, 2018 12:10 PM  
**To:** Anette Spickard; Michelle Groenevelt; Nathan Stewart; Chris Curtin; Delta James; Erin Greaves; Morgan Bessaw; Edward Heider; Bob Giles; Jackie Aymon; Colby Nielsen; Melanie Holmes; Thomas Sowers  
**Cc:** Jim Pace; David Simmonds; Rachel Santiago-Govier  
**Subject:** University of Idaho - Public Event Center and Boat House Discussion

Good Morning All,

I am going to be heading up North with Jim Pace to meet with the University of Idaho on **Monday, September 24** to discuss the Public Event Center/Boat House Concept on the waterfront North of the marina. Jim has set up a meeting for 3:00pm (Pacific Time) **4:00pm (Mountain Time - McCall)** with a video feed that can be pulled up in McCall for those interested in sitting in.

It sounds like the University is very excited to help us with a feasibility study of sorts and will be taking this project on collaboratively with the College of Business and Economics, College of Art and Architecture, Public Administration faculty, their team of entrepreneurial efforts on campus, and a number of graduate students. They will have a room set up with a video feed which can be relayed to McCall for those of you that wish to be a part of it or listen in.

That said, I would like to work with Chris, Dave, or Erin, to get something set up and encourage as many as possible to listen in from McCall. I have Legion Hall reserved and I think this study/project is going to be of significant value and I would like to demonstrate our support for their efforts.

Following that meeting, I am going to head to Coeur d'Alene to meet with the Parks and Recreation Director regarding their public waterfront properties as it relates to McCall's plans North of the Marina and some of the maintenance issues we have with our current facilities.

Thank You,

Kurt K Wolf  
Parks & Recreation Director, City Arborist  
City of McCall – Parks & Recreation Dept.  
[www.mccallparksandrec.com](http://www.mccallparksandrec.com)  
216 E. Park Street  
McCall, Idaho 83638  
Office: 208-634-8967  
Cell: 208-315-0063  
Blog: [mccallcitysource.com](http://mccallcitysource.com)  
Social: [Facebook.com/cityofmccall](https://www.facebook.com/cityofmccall)



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