

Curneal & Hignite Insurance, Inc

Houchens Insurance Group
410 Ring Road
Elizabethtown, KY 42701

Phone: (270) 737-2828

Fax: (270) 737-4950

Invoice # 114888	Page 1 of 1
Account Number	Date
NORTSH-H01	6/28/2021
BALANCE DUE ON	
7/1/2021	
AMOUNT PAID	Amount Due
	\$54,836.06

North Shelby Water Company
P.O. Box 97
Bagdad, KY 40003

CSR
Jeffrey Stiles, CIC

Commercial Package	PolicyNumber: PHPK2293607	Effective: 7/1/2021 to 7/1/2022
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Item #	Trans Eff Date	Due Date	Trans	Description	Amount
1178666	7/1/2021	7/1/2021	RENB	21-22 Package Policy	\$45,826.00
1178667	7/1/2021	7/1/2021	CFEE	KY Surcharge	\$824.87
1178669	7/1/2021	7/1/2021	CFEE	KY Surcharge	\$200.00

Commercial Umbrella	PolicyNumber: PHUB774484	Effective: 7/1/2021 to 7/1/2022
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Item #	Trans Eff Date	Due Date	Trans	Description	Amount
1178693	7/1/2021	7/1/2021	RENB	21-22 Umbrella Policy	\$7,844.00
1178694	7/1/2021	7/1/2021	CFEE	KY Surcharge	\$141.19

Total Invoice Balance: \$54,836.06

PAYMENT DUE BY DUE DATE OR UPON RECEIPT OF INVOICE.

PAYMENT AUTHORIZES US TO PROCESS YOUR ORIGINAL CHECK AS A SUBSTITUTE CHECK.



INSURANCE BINDER

JSTILES

DATE (MM/DD/YYYY)
06/28/2021

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON PAGE 2 OF THIS FORM.

AGENCY Curneal & Hignite Insurance, Inc. Houchens Insurance Group 410 Ring Road Elizabethtown, KY 42701		COMPANY Philadelphia Indemnity Insurance Company		BINDER # 32717	
PHONE (A/C, No, Ext): (270) 737-2828		FAX (A/C, No): (270) 737-4950		<input type="checkbox"/> THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY #:	
CODE: AGENCY CUSTOMER ID: NORTSH-H01		SUB CODE:		DESCRIPTION OF OPERATIONS / VEHICLES / PROPERTY (Including Location)	
INSURED AND MAILING ADDRESS <p style="text-align: center;">North Shelby Water Company P.O. Box 97 Bagdad, KY 40003</p>					

COVERAGES

LIMITS

TYPE OF INSURANCE	COVERAGE / FORMS	DEDUCTIBLE	COINS %	AMOUNT
PROPERTY CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input checked="" type="checkbox"/> SPEC <input checked="" type="checkbox"/> Flood \$5,000,000 w \$25,000 Deductible <input checked="" type="checkbox"/> Earthquake \$5,000,000 w \$25,000 Dedu	Blanket Building & Contents including Equipment Breakdown	2,500	100	\$7,120,500.00
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE	\$	1,000,000
		DAMAGE TO RENTED PREMISES	\$	100,000
		MED EXP (Any one person)	\$	10,000
		PERSONAL & ADV INJURY	\$	1,000,000
		GENERAL AGGREGATE	\$	3,000,000
		PRODUCTS - COMP/OP AGG	\$	3,000,000
		COMBINED SINGLE LIMIT	\$	1,000,000
		BODILY INJURY (Per person)	\$	
		BODILY INJURY (Per accident)	\$	
		PROPERTY DAMAGE	\$	
	MEDICAL PAYMENTS	\$		
	PERSONAL INJURY PROT	\$	10,000	
	UNINSURED MOTORIST	\$	1,000,000	
	Underinsured Motorists	\$	1,000,000	
VEHICLE PHYSICAL DAMAGE <input checked="" type="checkbox"/> COLLISION: 500 <input checked="" type="checkbox"/> OTHER THAN COL: 500	<input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES	<input checked="" type="checkbox"/>	ACTUAL CASH VALUE	
			STATED AMOUNT	\$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO			AUTO ONLY - EA ACCIDENT	\$
			OTHER THAN AUTO ONLY:	
			EACH ACCIDENT	\$
			AGGREGATE	\$
EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:		EACH OCCURRENCE	\$ 5,000,000
			AGGREGATE	\$ 5,000,000
			SELF-INSURED RETENTION	\$ 0
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY			PER STATUTE	
			E.L. EACH ACCIDENT	\$
			E.L. DISEASE - EA EMPLOYEE	\$
			E.L. DISEASE - POLICY LIMIT	\$
SPECIAL CONDITIONS / OTHER COVERAGES Crime: Employee Dishonesty \$100,000 Forgery & Alteration \$100,000; Schedule Position Bond 5 Positions \$600,000; Public Officials Liability \$1M/\$3M with \$1000 Ded; Employment Practices Liability \$1M/\$3M with \$1,000 Deductible			FEES	\$
			TAXES	\$
			ESTIMATED TOTAL PREMIUM	\$

NAME & ADDRESS

	<input type="checkbox"/> MORTGAGEE		ADDITIONAL INSURED
	<input type="checkbox"/> LOSS PAYEE		
	LOAN #:		
AUTHORIZED REPRESENTATIVE			

CONDITIONS

This Company binds the kind(s) of insurance stipulated on page 1 of this form. The Insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

Applicable in Arizona

Binders are effective for no more than ninety (90) days.

Applicable in California

When this form is used to provide insurance in the amount of one million dollars (\$1,000,000) or more, the title of the form is changed from "Insurance Binder" to "Cover Note".

Applicable in Colorado

With respect to binders issued to renters of residential premises, home owners, condo unit owners and mobile home owners, the insurer has thirty (30) business days, commencing from the effective date of coverage, to evaluate the issuance of the insurance policy.

Applicable in Delaware

The mortgagee or Obligee of any mortgage or other instrument given for the purpose of creating a lien on real property shall accept as evidence of insurance a written binder issued by an authorized insurer or its agent if the binder includes or is accompanied by: the name and address of the borrower; the name and address of the lender as loss payee; a description of the insured real property; a provision that the binder may not be canceled within the term of the binder unless the lender and the insured borrower receive written notice of the cancellation at least ten (10) days prior to the cancellation; except in the case of a renewal of a policy subsequent to the closing of the loan, a paid receipt of the full amount of the applicable premium, and the amount of insurance coverage.

Chapter 21 Title 25 Paragraph 2119

Applicable in Florida

Except for Auto Insurance coverage, no notice of cancellation or nonrenewal of a binder is required unless the duration of the binder exceeds 60 days. For auto insurance, the insurer must give 5 days prior notice, unless the binder is replaced by a policy or another binder in the same company.

Applicable in Maryland

The insurer has 45 business days, commencing from the effective date of coverage to confirm eligibility for coverage under the insurance policy.

Applicable in Michigan

The policy may be cancelled at any time at the request of the insured.

Applicable in Nevada

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

Applicable in Oklahoma

All policies shall expire at 12:01 a.m. standard time on the expiration date stated in the policy.

Applicable in Oregon

Binders are effective for no more than ninety (90) days. A binder extension or renewal beyond such 90 days would require the written approval by the Director of the Department of Consumer and Business Services.

Applicable in the Virgin Islands

This binder is effective for only ninety (90) days. Within thirty (30) days of receipt of this binder, you should request an insurance policy or certificate (if applicable) from your agent and/or insurance company.



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHLY.com

07/26/2022

North Shelby Water Company
PO Box 97
Bagdad, KY 40003-0097

Re: PHUB821946

Dear Valued Customer:

Thank you very much for choosing Philadelphia Insurance Companies (PHLY) for your insurance needs. Our A++ (Superior) AM Best financial strength rating is one reason why over 700,000 policyholders have put their trust in us. We invite you to experience The PHLY Difference, which includes:

- Exceptional Customer Service
- Complimentary & Tailored Risk Management
- Best in Class Claims Experience
- Industry Leading Coverage
- Team PHLY Working for You!

We realize you have a choice in insurance companies, and we truly appreciate your business. Welcome to TeamPHLY, and please visit us at PHLY.com to learn more about The PHLY Difference!

Sincerely,

John W. Glomb, Jr.
President & CEO
Philadelphia Insurance Companies

JWG/sm



PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Philadelphia Indemnity Insurance Company

Commercial Lines Policy

THIS POLICY CONSISTS OF:

- DECLARATIONS
- COMMON POLICY CONDITIONS
- ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
 - ONE OR MORE COVERAGE FORMS
 - APPLICABLE FORMS AND ENDORSEMENTS

IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.



John W. Glomb, Jr.
President & CEO



Secretary

**NOTICE
LATE FEE
NON-SUFFICIENT FUNDS FEE
REINSTATEMENT FEE**

Late Fee

Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of \$25* (where permitted).

Non-Sufficient Funds Fee

Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of \$25** (where permitted).

Reinstatement Fee

Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of \$50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*\$10 in Florida, Maryland, South Carolina

**\$15 in Florida and \$20 in New York

***\$25 in Delaware, Georgia, New Hampshire and New Mexico; and \$15 in Kansas and Nebraska

**COMMON POLICY DECLARATIONS
WATER DISTRICTS INSURANCE PROGRAM**

Policy No. PHUB821946
Replacement No. PHUB774484

NAMED INSURED AND MAILING ADDRESS:

North Shelby Water Company
PO Box 97

Bagdad, KY 40003

AGENT NAME AND ADDRESS:

Grundy Insurance
400 Horsham Road, Suite 150
Horsham PA 19044

AGENT NO.: 124922

POLICY PERIOD: From 07/01/2022 To 07/01/2023
at 12:01 a.m. Standard Time at your mailing address shown above.

TYPE OF DISTRICT: Water District Sewer District Irrigation District
 Other: _____

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

This policy consists of the following Coverage Parts for which a premium is indicated. This premium may be subject to adjustment.

	PREMIUM
Property and Inland Marine Coverage Part	\$ <u>Not Covered</u>
Liability Coverage Part	\$ <u>Not Covered</u>
Crime Coverage Part	\$ <u>Not Covered</u>
Automobile Coverage Part	\$ <u>Not Covered</u>
Employment-Related Practices Liability Coverage Part	\$ <u>Not Covered</u>
Commercial Excess Liability Coverage Part	\$ <u>Included</u>
	\$ _____
TOTAL PREMIUM	\$ <u>9,413</u>

FORMS APPLICABLE TO ALL COVERAGE PARTS:

Refer to Forms Schedule

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART SUPPLEMENTAL DECLARATIONS, COVERAGE PARTS, FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

COUNTERSIGNED 07/01/2022 **by** _____
DATE AUTHORIZED REPRESENTATIVE

Philadelphia Indemnity Insurance Company

Form Schedule – Policy

Policy Number: PHUB821946

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
BJP-190-1	1298	Commercial Lines Policy Jacket
PI-FEES-NOTICE 1	1119	Notice Late/Non-Sufficient Funds/Reinstatement Fee
Fees and Surcharge Schedule	0110	Fees and Surcharge Schedule
PI-MANU-1	0906	PI-WDI-999D (10/17) Common Policy Declarations
PI-MANU-1	0906	PI-WDI-101D (10/17) Commercial Excess Liability Declarations
PI-MANU-1	0906	PI-CXL-100 (01/19) Absolute Cyber Liability & Electronic Exclusion

Philadelphia Indemnity Insurance Company

Fees and Surcharge Schedule

Policy Number: **PHUB821946**

Policy Term Effective Date: **07/01/2022**

Policy Term Expiration Date: **07/01/2023**

Kentucky Surcharge	\$ 169.43
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***See Kentucky Tax Schedule For Additional Information**

POLICY NUMBER: PHUB821946

RENEWAL OF: PHUB774484

COMMERCIAL EXCESS LIABILITY INSURANCE POLICY DECLARATIONS WATER DISTRICTS INSURANCE PROGRAM

COVERAGE IS PROVIDED BY:

Philadelphia Indemnity Insurance Company

 <small>A Member of the Tokio Marine Group</small> One Bala Plaza, Suite 100 Bala Cynwyd, PA 19004	Grundy Insurance 400 Horsham Road, Suite 150 Horsham PA 19044 Agency No.: 124922
NAMED INSURED: <u>North Shelby Water Company</u>	
MAILING ADDRESS: <u>PO Box 97</u> <u>Bagdad, KY 40003</u>	
POLICY PERIOD: FROM <u>07/01/2022</u> TO <u>07/01/2023</u> AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE	

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

LIMITS OF INSURANCE	
EACH OCCURRENCE LIMIT (LIABILITY COVERAGE)	\$ <u>5,000,000</u>
PRODUCTS COMPLETED OPERATIONS AGGREGATE LIMIT	\$ <u>5,000,000</u>
GENERAL AGGREGATE LIMIT (LIABILITY COVERAGE) (except with respect to Auto Liability and Products Completed Operations)	\$ <u>5,000,000</u>

PREMIUM	
PREMIUM TOTAL	\$ <u>9,413</u>
AUDIT PERIOD: <input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> ANNUALLY <input type="checkbox"/> SEMI-ANNUALLY <input type="checkbox"/> QUARTERLY <input type="checkbox"/> MONTHLY	

POLICY NUMBER: PHUB821946

RENEWAL OF: PHUB774484

ENDORSEMENTS ATTACHED TO THIS POLICY

PI-WDI-999D (10/17) Common Policy Declarations Water Districts Insurance Program
PI-WDI-999 (10/17) Common Policy Conditions Water Districts Insurance Program
PI-WDI-101D (10/17) Commercial Excess Liability Insurance Policy Declarations Water Districts Insurance Program
PI-WDI-101 (10/17) Commercial Excess Liability Coverage Form Water Districts Insurance Program
PI-WDI-KY 11 (10/17) Kentucky Changes - Cancellation and Nonrenewal
PI-WDI-102 (10/17) Nuclear Energy Liability Exclusion
PI-WDI-104 (09/20) Absolute Communicable Disease Exclusion

POLICY NUMBER: PHUB821946

RENEWAL OF: PHUB774484

SCHEDULE OF CONTROLLING UNDERLYING INSURANCE		
General Liability		
	<input checked="" type="checkbox"/> Occurrence	<input type="checkbox"/> Claims-Made
	Defense: <input type="checkbox"/> Inside the Limits	<input checked="" type="checkbox"/> Outside the Limits
Company: <u>Philadelphia Indemnity Insurance Company</u>		
Policy Number: <u>PHPK2434163</u>		
Policy Period: <u>07/01/2022 to 07/01/2023</u>		
Retroactive Date: _____		
Minimum Applicable Limits:		
General Aggregate	\$	<u>3,000,000</u>
Products-Completed Operations Aggregate	\$	<u>3,000,000</u>
Personal And Advertising Injury	\$	<u>1,000,000</u>
Each Occurrence	\$	<u>1,000,000</u>
Employee Benefits Liability		
	<input checked="" type="checkbox"/> Occurrence	<input type="checkbox"/> Claims-Made
	Defense: <input type="checkbox"/> Inside the Limit	<input checked="" type="checkbox"/> Outside the Limit
Retroactive Date: <u>07/01/2022</u>		
Minimum Applicable Limits		
Per Person Limit	\$	<u>1,000,000</u>
Aggregate Limit	\$	<u>3,000,000</u>
Commercial Auto Liability		
Company: <u>Philadelphia Indemnity Insurance Company</u>		
Policy Number: <u>PHPK2434163</u>		
Policy Period: <u>07/01/2022 to 07/01/2023</u>		
Minimum Applicable Limits		
Garage Aggregate Limit For Other Than Autos (if applicable)	\$	<u>n/a</u>
Each Accident	\$	<u>1,000,000</u>
Employers' Liability		
Company: <u>Kentucky Employers' Mutual Insurance</u>		
Policy Number: <u>376023</u>		
Policy Period: <u>07/01/2022 to 07/01/2023</u>		
Minimum Applicable Limits		
Bodily injury by accident	\$ <u>1,000,000</u>	Each Accident
Bodily injury by disease	\$ <u>1,000,000</u>	Each Employee
Bodily injury by disease	\$ <u>1,000,000</u>	Policy Limit

POLICY NUMBER: PHUB821946

RENEWAL OF: PHUB774484

<p>Professional Liability</p> <p>Company: <u>Philadelphia Indemnity Insurance Company</u></p> <p>Policy Number: <u>PHPK2434163</u></p> <p>Policy Period: <u>07/01/2022 to 07/01/2023</u></p> <p>Retroactive Date: <u>07/01/2022</u></p> <p>Minimum Applicable Limits</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Per Claim Limit</td> <td style="width: 10%; text-align: center;">\$</td> <td style="width: 30%; text-align: right;"><u>1,000,000</u></td> </tr> <tr> <td>Aggregate Limit</td> <td style="text-align: center;">\$</td> <td style="text-align: right;"><u>3,000,000</u></td> </tr> </table>	Per Claim Limit	\$	<u>1,000,000</u>	Aggregate Limit	\$	<u>3,000,000</u>	<p><input checked="" type="checkbox"/> Occurrence <input type="checkbox"/> Claims-Made</p> <p>Defense: <input type="checkbox"/> Inside the Limit <input checked="" type="checkbox"/> Outside the Limit</p>
Per Claim Limit	\$	<u>1,000,000</u>					
Aggregate Limit	\$	<u>3,000,000</u>					
<p>Abuse or Molestation</p> <p>Company: _____</p> <p>Policy Number: _____</p> <p>Policy Period: _____</p> <p>Retroactive Date: _____</p> <p>Minimum Applicable Limits</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">_____</td> <td style="width: 10%; text-align: center;">\$</td> <td style="width: 30%; text-align: right;">_____</td> </tr> <tr> <td>_____</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">_____</td> </tr> </table>	_____	\$	_____	_____	\$	_____	<p><input type="checkbox"/> Occurrence <input type="checkbox"/> Claims-Made</p> <p>Defense: <input type="checkbox"/> Inside the Limit <input type="checkbox"/> Outside the Limit</p>
_____	\$	_____					
_____	\$	_____					
<p>Wrongful Acts</p> <p>Company: <u>Philadelphia Indemnity Insurance Company</u></p> <p>Policy Number: <u>PHPK2434163</u></p> <p>Policy Period: <u>07/01/2022 to 07/01/2023</u></p> <p>Retroactive Date: <u>07/01/2022</u></p> <p>Minimum Applicable Limits</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Per Claim Limit</td> <td style="width: 10%; text-align: center;">\$</td> <td style="width: 30%; text-align: right;"><u>1,000,000</u></td> </tr> <tr> <td>Aggregate Limit</td> <td style="text-align: center;">\$</td> <td style="text-align: right;"><u>3,000,000</u></td> </tr> </table>	Per Claim Limit	\$	<u>1,000,000</u>	Aggregate Limit	\$	<u>3,000,000</u>	<p><input checked="" type="checkbox"/> Occurrence <input type="checkbox"/> Claims-Made</p> <p>Defense: <input type="checkbox"/> Inside the Limit <input checked="" type="checkbox"/> Outside the Limit</p>
Per Claim Limit	\$	<u>1,000,000</u>					
Aggregate Limit	\$	<u>3,000,000</u>					
<p>Liquor Liability</p> <p>Company: _____</p> <p>Policy Number: _____</p> <p>Policy Period: _____</p> <p>Retroactive Date: _____</p> <p>Minimum Applicable Limits</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">_____</td> <td style="width: 10%; text-align: center;">\$</td> <td style="width: 30%; text-align: right;">_____</td> </tr> <tr> <td>_____</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">_____</td> </tr> </table>	_____	\$	_____	_____	\$	_____	<p><input type="checkbox"/> Occurrence <input type="checkbox"/> Claims-Made</p> <p>Defense: <input type="checkbox"/> Inside the Limit <input type="checkbox"/> Outside the Limit</p>
_____	\$	_____					
_____	\$	_____					

POLICY NUMBER: PHUB821946

RENEWAL OF: PHUB774484

Other Coverages Not Included in Above Employment Practices Liability		<input type="checkbox"/> Occurrence	<input checked="" type="checkbox"/> Claims-Made
Defense: <input checked="" type="checkbox"/> Inside the Limit		<input type="checkbox"/> Outside the Limit	
Company: <u>Philadelphia Indemnity Insurance Company</u>			
Policy Number: <u>PHPK2434163</u>			
Policy Period: <u>07/01/2022 to 07/01/2023</u>			
Retroactive Date: <u>07/01/2007</u>			
Minimum Applicable Limits			
Each Wrongful Act Limit		\$	<u>1,000,000</u>
Aggregate Limit		\$	<u>3,000,000</u>
Lead Umbrella <input type="checkbox"/> Excess <input type="checkbox"/>		<input type="checkbox"/> Occurrence	<input type="checkbox"/> Claims-Made
Defense: <input type="checkbox"/> Inside the Limit		<input type="checkbox"/> Outside the Limit	
Company: _____			
Policy Number: _____			
Policy Period: _____			
Retroactive Date: _____			
Minimum Applicable Limits			
General Aggregate		\$	_____
Products-Completed Operations Aggregate		\$	_____
Personal and Advertising Injury		\$	_____
Each Occurrence		\$	_____
Excess Liability Attachment Point		<input type="checkbox"/> Occurrence	<input type="checkbox"/> Claims-Made
Defense: <input type="checkbox"/> Inside the Limit		<input type="checkbox"/> Outside the Limit	
Company: _____			
Policy Number: _____			
Policy Period: _____			
Retroactive Date: _____			
Minimum Applicable Limits			
General Aggregate		\$	_____
Products-Completed Operations Aggregate		\$	_____
Personal and Advertising Injury		\$	_____
Each Occurrence		\$	_____

THESE DECLARATIONS, TOGETHER WITH THE COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

COMMON POLICY CONDITIONS WATER DISTRICTS INSURANCE PROGRAM

All Coverage Parts included in this policy are subject to the Common Policy Conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination of Your Books and Records

We may, but are not obligated to, examine and audit your books and records as they relate to this policy at any time during the policy period and up to three (3) years afterward.

D. Inspections and Surveys

We have the right but are not obligated to:

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

Any inspection, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of

any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

If any of the following Common Policy Conditions **G.** through **Q.** include language which is contrary to language contained in Conditions in either the **COMMERCIAL AUTO COVERAGE FORM** or the **EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE FORM**, these provisions shall supersede and shall apply instead, provided that a state changes endorsement is not attached to this policy, addressing state-specific requirements.

G. Arbitration

All disputes between any insured and us regarding our respective rights and obligations under this policy will be resolved by binding arbitration. Either party may initiate the arbitration process by making a written demand for arbitration. When this demand is made, each party will select an arbitrator within thirty (30) days. Should any party fail to select an arbitrator, then the other party may select the second arbitrator. These two arbitrators will select the third arbitrator. If they cannot agree upon a third arbitrator within thirty (30) days, then the selection will be made by a court of jurisdiction. Each party will pay the expenses and fees of the arbitrator selected by that party and will bear half the expenses and fees of the third arbitrator.

The arbitration hearing will take place in the county in which the address shown in the Declarations for the first Named Insured is located. Local rules of law as to the procedure and evidence applicable to binding arbitration will apply. A decision agreed to by two of the arbitrators will be binding.

The arbitrators may award only the following damages:

1. Amounts payable under the policy.
2. Economic damages recoverable by law for failure to perform any contractual obligation.
3. Attorneys' and arbitrators' fees and costs to the prevailing party.

The arbitrators' award will be the sole and exclusive remedy for any claim or dispute subject to arbitration under this policy.

H. Assistance and Cooperation of the Insured

The insured will cooperate with us and, at our request and expense, will attend hearings and trials. The insured will also assist in effecting settlements, in securing and giving evidence, in obtaining the attendance of witnesses, and in conducting "suits."

I. Bankruptcy or Insolvency

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

J. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

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

K. Duties in the Event of Occurrence, Offense, Error, Omission, Wrongful Act, Act, Error or Omission, Claim or Suit

An insured has certain duties if a claim or "suit" is brought against it, or in the event of an "occurrence," offense, error, omission, "wrongful act" or "act, error or omission" that may result in a claim under this policy.

1. Regardless of perceived liability, an insured must see to it that we are notified as soon as practicable of an "occurrence," offense, error, omission, "wrongful act" or "act, error or omission" that may result in a claim. To the extent possible, notice should include:
 - a. How, when and where the "occurrence," offense, error, omission, "wrongful act" or "act, error or omission" took place;
 - b. The names and addresses of any injured persons and witnesses; and
 - c. The nature and location of any injury or damage arising out of the "occurrence," offense, error, omission, "wrongful act" or "act, error or omission."
2. If a claim is made or "suit" is brought against any insured, you must:
 - a. Immediately record the specifics of the claim or "suit" and the date received; and
 - b. Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
3. You and any other involved insured must:
 - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - b. Authorize us to obtain records and other information;

- c. Cooperate with us in the investigation, settlement or defense of the claim or "suit"; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the Insured because of injury or damage to which this policy may also apply.
4. No insured will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
5. If there is a "loss" to a covered "auto" or its equipment, you must also do the following:
- a. Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - b. Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
 - c. Permit us to inspect the covered "auto" and records providing the "loss" before its repair or disposition.
 - d. Agree to examinations under oath at our request and give us a signed statement of your answers.

L. Legal Action Against Us

No person or organization has a right under this policy to join us as a party or otherwise bring us into a "suit" asking for damages from an insured or to sue us on this policy unless all of its terms have been fully complied with. A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured obtained after actual trial; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

M. Liberalization

If we are required by statute to adopt any revision that would broaden the coverage under this policy without additional premium within forty-five (45) days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

N. Multiple Year Policies

The following provisions apply for any policy written for more than one (1) annual period:

1. The premium shown in the Declarations is a deposit premium for the first anniversary and was computed based on rates and rules in effect at the time the policy was issued. On each anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
2. The Limits of Insurance apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the policy period shown in the Declarations.

O. Separation of Insureds

Any rights or duties specifically assigned in the policy to the first Named Insured applies:

1. As if each Named Insured were the only Named Insured; and

2. Separately to each insured against whom claim is made or suit is brought.

It is understood that the separation of insureds will not increase the Limits of Insurance.

P. Statutory Provisions

Terms of this policy which conflict with state statutes are amended to conform to such statutes.

Q. Transfer of Rights of Recovery Against Others to Us

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after the loss to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

COMMERCIAL EXCESS LIABILITY COVERAGE FORM WATER DISTRICTS INSURANCE PROGRAM

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

Throughout this policy the words “you” and “your” refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words “we,” “us” and “our” refer to the company providing this insurance. The word “insured” means any person or organization qualifying as such under the “controlling underlying insurance.”

Other words and phrases that appear in quotation marks in this Coverage Part have special meaning. Refer to **SECTION IV – DEFINITIONS**. Other words and phrases that are not defined under this Coverage Part but defined in the “controlling underlying insurance” will have the meaning described in the policy of “controlling underlying insurance.”

The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable “controlling underlying insurance,” unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided under this Coverage Part will not be broader than that provided by the applicable “controlling underlying insurance.”

There may be more than one “controlling underlying insurance” listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Part. In such a case, the provisions, exclusions and limitations of the “controlling underlying insurance” applicable to the particular “event” for which a claim is made or suit is brought will apply.

SECTION I – COVERAGES

1. Insuring Agreement

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

We will have the right and duty to defend the insured against any suit seeking damages for such “injury or damage” when the applicable limits of “controlling underlying insurance” have been exhausted in accordance with the provisions of such “controlling underlying insurance.”

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

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

At our discretion, we may investigate any “event” that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend. But:

- (1) The amount we will pay for “ultimate net loss” is limited as described in **SECTION II – LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part. However, if the policy of “controlling underlying insurance” specifies that limits are reduced by defense expenses, our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of defense expenses, judgments or

settlements under this Coverage Part.

- b. This insurance applies to “injury or damage” that is subject to an applicable “retained limit.” If any other limit, such as, a sublimit, is specified in the “controlling underlying insurance,” this insurance does not apply to “injury or damage” arising out of that exposure unless that limit is specified in the Declarations under the Schedule of “controlling underlying insurance.”
- c. If the “controlling underlying insurance” requires, for a particular claim, that the “injury or damage” occur during its policy period in order for that coverage to apply, then this insurance will only apply to that “injury or damage” if it occurs during the policy period of this Coverage Part. If the “controlling underlying insurance” requires that the “event” causing the particular “injury or damage” takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the “event” causing that “injury or damage” takes place during the policy period of this Coverage Part.
- d. Any additional insured under any policy of “controlling underlying insurance” will automatically be an additional insured under this insurance. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any “controlling underlying insurance.”

Additional insured coverage provided by this insurance will not be broader than coverage provided by the “controlling underlying insurance.”

2. Exclusions

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

Insurance provided under this Coverage Part does not apply to:

a. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable “controlling underlying insurance.”

b. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

- (1) First-party physical damage coverage;
- (2) No-fault coverage;
- (3) Personal injury protection or auto medical payments coverage; or
- (4) Uninsured or underinsured motorists coverage.

c. Pollution

- (1) “Injury or damage” which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

(2) Any loss, cost or expense arising out of any:

- (a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants; or
- (b)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants.

This exclusion does not apply to the extent that valid "controlling underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "injury or damage."

d. Workers' Compensation And Similar Laws

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

SECTION II – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or suits brought, or number of vehicles involved;
 - c. Persons or organizations making claims or bringing suits; or
 - d. Limits available under any "controlling underlying insurance."
2. The Limits of Insurance of this Coverage Part will apply as follows:
 - a. This insurance only applies in excess of the "retained limit."
 - b. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss," for all "injury or damage" covered under this Coverage Part.

However, this Aggregate Limit only applies to "injury or damage" that is subject to an aggregate limit of insurance under the "controlling underlying insurance."
 - c. Subject to Paragraph 2.b. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under this insurance because of all "injury or damage" arising out of any one "event."
 - d. If the Limits of Insurance of the "controlling underlying insurance" are reduced by defense expenses by the terms of that policy, any payments for defense expenses we make will reduce our applicable Limits of Insurance in the same manner.
3. If any "controlling underlying insurance" has a policy period that is different from the policy period of this Coverage Part then, for the purposes of this insurance, the "retained limit" will only be reduced or exhausted by payments made for "injury or damage" covered under this insurance.

The Aggregate Limit of this Coverage Part applies separately to each consecutive annual period of

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

SECTION III – CONDITIONS

The following conditions apply. In addition, the conditions applicable to any “controlling underlying insurance” are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. Appeals

If the “controlling underlying insurer” or insured elects not to appeal a judgment in excess of the amount of the “retained limit,” we may do so at our own expense. We will also pay for taxable court costs, pre- and post-judgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in **SECTION II – LIMITS OF INSURANCE**.

2. Bankruptcy

a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured’s estate will not relieve us of our obligations under this Coverage Part.

b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the “controlling underlying insurer” will not relieve us of our obligations under this Coverage Part.

However, insurance provided under this Coverage Part will not replace any “controlling underlying insurance” in the event of bankruptcy or insolvency of the “controlling underlying insurer.” The insurance provided under this Coverage Part will apply as if the “controlling underlying insurance” were in full effect and recoverable.

3. Duties In The Event Of An Event, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an “event,” regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:

- (1)** How, when and where the “event” took place;
- (2)** The names and addresses of any injured persons and witnesses; and
- (3)** The nature and location of any “injury or damage” arising out of the “event.”

b. If a claim is made or suit is brought against any insured, you must:

- (1)** Immediately record the specifics of the claim or suit and the date received; and
- (2)** Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or suit as soon as practicable.

- c. You and any other insured involved must:
- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury or damage" to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

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

5. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. Changes

This Coverage Part contains all the agreements between you and us concerning the insurance
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afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Part with our consent. This Coverage Part's terms can be amended or waived only by endorsement.

7. Maintenance Of/ Changes To Controlling Underlying Insurance

Any "controlling underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such "controlling underlying insurance" that results from "injury or damage" to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "controlling underlying insurance." Failure to maintain "controlling underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect.

The first Named Insured must notify us in writing, as soon as practicable, if any "controlling underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "controlling underlying insurance" is changed.

8. Other Insurance

- a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:
- (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and
 - (2) The total of all deductible and self-insured amounts under all that other insurance.

9. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. If this policy is auditable, the premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

- a. The insured or insured's "controlling underlying insurer" has become obligated to pay the

“retained limit”; and

- b. The obligation of the insured to pay the “ultimate net loss” in excess of the “retained limit” has been determined by a final settlement or judgment or written agreement among the insured, claimant, “controlling underlying insurer” (or a representative of one or more of these) and us.

11. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, “controlling underlying insurer” and the claimant or the claimant’s legal representative.

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of “controlling underlying insurance” have been exhausted, in accordance with the provisions of “controlling underlying insurance,” we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the “controlling underlying insurance” had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Part of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the “controlling underlying insurance” had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Part, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

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

SECTION IV – DEFINITIONS

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

1. "Controlling underlying insurance" means any policy of insurance or self-insurance listed in the Declarations under the Schedule of "controlling underlying insurance."
2. "Controlling underlying insurer" means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of "controlling underlying insurance."
3. "Event" means an "occurrence," offense, accident, act, or other event, to which the applicable "controlling underlying insurance" applies.
4. "Injury or damage" means any injury or damage, covered in the applicable "controlling underlying insurance" arising from an "event."
5. "Retained limit" means the available limits of "controlling underlying insurance" applicable to the claim.
6. "Ultimate net loss" means the total sum, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
 - a. Settlements, judgments, binding arbitration; or
 - b. Other binding alternate dispute resolution proceeding entered into with our consent.

"Ultimate net loss" includes defense expenses if the "controlling underlying insurance" specifies that limits are reduced by defense expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.,
Exclusions:

2. Exclusions

NUCLEAR ENERGY LIABILITY

a. Under any Liability Coverage, to "injury or damage":

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

b. Under any Liability Coverage, to "injury or damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "injury or damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to property damage to such "nuclear facility" and any property thereat.

c. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Injury or damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**KENTUCKY CHANGES – CANCELLATION
AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. Paragraph 5. Cancellation of Section III – Conditions is amended as follows:

1. Paragraph **b.** is replaced by the following:

b. Cancellation Of Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 14 days before the effective date of cancellation.

2. The following paragraph is added:

Cancellation Of Policies In Effect For More Than 60 Days

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

- (1) Nonpayment of premium;
- (2) Discovery of fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
- (3) Discovery of willful or reckless acts or omissions on your part which increase any hazard insured against;
- (4) The occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed;
- (5) A violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against;
- (6) We are unable to reinsure the risk covered by the policy; or

(7) A determination by the commissioner that the continuation of the policy would place us in violation of the Kentucky insurance code or regulations of the commissioner.

b. If we cancel this policy based on Paragraph **a.** above, we will mail or deliver a written notice of cancellation to the first Named Insured, stating the reason for cancellation, at least:

1. 14 days before the effective date of the cancellation, if cancellation is for nonpayment of premium; or
2. 75 days before the effective date of the cancellation, if cancellation is for any reason stated in **a.(2)** through **a.(7)** above.

B. Paragraph 13. When We Do Not Renew of Section III – Conditions is replaced by the following:

NONRENEWAL

1. For the purpose of this Condition:

- a. Any policy period or term of less than six months shall be considered to be a policy period or term of six months; and
- b. Any policy period or term of more than one year or any policy with no fixed expiration date shall be considered a policy period or term of one year.

2. If we elect not to renew this policy, we will mail or deliver written notice of nonrenewal, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, at the last mailing address known to us, at least 75 days before the expiration date of the policy period.

3. If notice of nonrenewal is not provided pursuant to this Condition, coverage under the same terms and conditions shall be deemed to be renewed for the ensuing policy period upon payment of the appropriate premium until you have accepted replacement coverage with another insurer, or until you have agreed to the nonrenewal.

4. If we mail or deliver a renewal notice to the first Named Insured at least 30 days before the end of the policy period, stating the renewal premium and its due date, the policy will terminate without further notice unless the renewal premium is received by us or our authorized agent by the due date.
5. If this policy terminates because the renewal premium has not been received by the due date, we will, within 15 days, mail or deliver to the first Named Insured at his last known address a notice that the policy was not renewed and the date it was terminated.
6. If notice is mailed, proof of mailing is sufficient proof of notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABSOLUTE COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE FORM WATER DISTRICTS INSURANCE PROGRAM

SECTION I – COVERAGES, 2. Exclusions, is amended to include the following additional exclusion:

This insurance does not apply to:

Communicable Disease

Any liability, damage, loss, cost or expense arising, in whole or in part, out of the actual, alleged, threatened or suspected transmission of a communicable disease.

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

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

This endorsement is an absolute exclusion for communicable disease.

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ABSOLUTE CYBER LIABILITY AND ELECTRONIC EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

1. **SECTION I – COVERAGES, 3. Exclusions**, Exclusion **u. Electronic Data** is deleted in its entirety and replaced with the following:

u. Electronic Data

This insurance does not apply to any loss, cost, expense, fine, penalty, error and omission, or damage alleging, arising out of or from, attributable to, or giving rise to:

- (1) Any access to, collection or disclosure of, or failure to erase any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, biometrics, or any other type of nonpublic information; or
- (2) Business interruption or suspension of operations as caused by any access, "unauthorized access," lack of access, delay in access, damage, manipulation, loss, or impairment to "electronic data" or "electronic media"; or
- (3) "Cyber extortion"; or
- (4) A "privacy breach"; or
- (5) A "security breach"; or
- (6) Any fraudulent communication through "electronic media" that impersonates any person or organization, including but not limited to phishing or other social engineering techniques or otherwise; or
- (7) Any computer code, software, or programming; or
- (8) Any "security breach" that results in any electronic thing or device or "electronic media" malfunctioning, improperly functioning, non-functioning, failing to perform as the intended user desired, or being electronically manipulated to perform in a way that causes harm to the insured or others; or
- (9) The loss, loss of use, misuse, delay, manipulation, corruption, damage, alteration, destruction, distortion, erasure, or theft of, or inability to access or manipulate "electronic data" or "electronic media" as a result of "cyber extortion"; or "privacy breach"; or "security breach"; or
- (10) Any failure of utilities based upon, arising out of, or attributable to any mechanical or electrical failure, interruption, or outage, however caused, including but not limited to any electrical power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuation or outage to gas, water, telephone, cable, satellite, telecommunications, the internet, or any component thereof, including but not limited to hardware, software, or any other infrastructure as a result of "cyber extortion"; or "privacy breach"; or "security breach."

This exclusion applies even if damages are claimed for notification costs, errors or omissions, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss, cost, or expense incurred by the insured or others arising out of that which is described in Paragraphs **(1)** through **(10)** above.

2. As used in this exclusion, the following definitions apply:

- a.** "Computer hardware" means the physical components of any "computer system" including CPU's, memory storage devices, storage media, and input/output devices and other peripheral devices and components including but not limited to cable, connectors, fiber optics, networking equipment, "electronic data" storage devices, input and output devices, backup facilities, wire, power supply units, keyboards, display monitors and audio speakers.
- b.** "Computer system" means an electronic, wireless, web or similar systems (including all "computer hardware," computer programs and "electronic data") used to process data or information in an analog, digital, electronic or wireless format, including but not limited to, associated input and output devices, data storage devices, networking equipment, wired or wireless peripherals, electronic backup facilities, and media libraries, that is owned or leased, operated and controlled by the insured or operated by an independent contractor authorized to provide Business Process Outsourcing services or outsourced Information Technology services for the insured.
- c.** "Corporate information breach" means the public disclosure of an organization's non-public information.
- d.** "Cyber extortion" means any threat or connected series of threats communicated to the insured for the purpose of demanding money, securities, or property, including but not limited to threats to release, divulge, disseminate, corrupt, damage or destroy "electronic data" or "electronic media"; introduce malware or "malicious code" into the insured's "computer system"; electronically communicate with the insured's customers in order to fraudulently obtain personal information, money, securities or property; or restrict or hinder access to the insured's "computer system," "electronic data" or "electronic media," including but not limited to ransomware.
- e.** "Denial of service" means unauthorized or unexpected interference or malicious attack by any person(s) or entity(ies) that restricts or prevents access to a "computer system" by persons or entities authorized to gain access to the "computer system" or "electronic data."
- f.** "Electronic data" means information, facts, blockchain, crypto currencies, or computer programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMs, DVDs, external drives, USB sticks, tapes, drives, cells, microchip, data processing devices, or any other media which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of "electronic data," means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.
- g.** "Electronic media" means broadcast or storage media that take advantage of electronic technology. They include television, radio, Internet, fax, Bluetooth, GPS, audio beacons, "electronic data," and any other medium that requires electricity or digital encoding of information.
- h.** "Malicious code" means unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the preceding.

- i. "Privacy breach" means a common law or statutory breach of confidence or violation of any common law or statutory rights to privacy, including but not limited to breach of a privacy policy, breach of a person's right of publicity, misappropriation of likeness, false light, intrusion upon a person's seclusion, or public disclosure of a person's or animal's private information. "Privacy breach" will also include a "corporate information breach."
- j. "Security breach" means:
 - (1) "Unauthorized access" of the insured's "computer system" or "unauthorized use" of "computer systems" including "unauthorized access" or "unauthorized use" resulting from the theft of a password from the insured's "computer system";
 - (2) A "denial of service" attack against your "computer systems"; or
 - (3) Infection of the insured's "computer system" by "malicious code" or transmission of "malicious code" from the insured's "computer systems,"whether any of the foregoing is a specifically targeted attack or a generally distributed attack.
- k. "Unauthorized access" means the gaining of access to a "computer system" by an unauthorized person or persons.
- l. "Unauthorized use" means the use of a "computer system" by an unauthorized person or persons or an authorized person in an unauthorized manner.

This endorsement is an absolute exclusion for cyber liability, "electronic data," "electronic media" and "security breaches." The Commercial Umbrella Liability Insurance Policy will not provide any "ultimate net loss" and/or coverage of any kind over and above any actual and/or prospective coverage, whether or not collectible, under any Cyber Security Liability Coverage and/or Endorsement.

All other terms and conditions remain unchanged.