

Heartwood Charter School

Agenda for the Meeting of the Heartwood Charter School Board of Directors

Location: 170 Liberty School Road, Petaluma, CA 94930

Call in location: 55 Fire Rd, Woodacre, CA 94973

The meeting may be joined by phone: [\(US\) +1 305-224-1968](tel:+13052241968) Passcode: 616160

Or by video conference

Join Zoom Meeting:

<https://us06web.zoom.us/j/86265919697?pwd=xemJFB3PS0MMKcCfQtfzhoGaRSaCJd.1&jst=2>

Tuesday, September 29, 2026

9:30 AM Public Session

Call to Order

- I. Roll Call
- II. Regular Meeting
 - A. Agenda Adjustments and Approval
- III. Approval of minutes from past meetings
- IV. Correspondence
- V. Public Comment
- VI. Reports and Information
 - A. Director's Report
 1. Staffing
 2. Academics
 - B. Finance
 1. Budget Report
- VII. Action Items
 - A. The Board will consider the personnel actions and approve, defer or agree to study further.
 - B. The Board will consider opening currently closed Bothin Program classes and approve, defer, or agree to study further.
 - C. The Board will consider the Agreement for Continued Operation of Heartwood Charter School within District Boundaries with Ross Valley School District and approve, defer or agree to study further.
 - D. The Board will consider the Memorandum of Understanding (MOU) with the Girls Scouts of Northern California for the Bothin Resource Center site rental, and approve, defer or agree to study further.
 - E. The Board will consider the budget Unaudited Actuals report and approve, defer or agree to study further.
 - F. The Board will consider the health insurance renewal proposal and approve, defer or agree to study further.
 - G. The Board will consider changes to employee health benefits and approve, defer or agree to study further.
 - H. The Board will consider the Spending Plan for the Heartwood Educational Collaborative donation and prior year actual expenses and approve, defer or agree to study further.
 - I. The Board will consider the Strategic Initiatives for 2026-27 and approve, defer or agree to study further.
- VIII. Consent Items
 - A. Insurance Package for 2026-27
- IX. Board Discussion – this time is reserved for Board members to address colleagues and staff about matters they believe need study or action. The President will direct what action he or she feels should be taken on any item introduced by a Board member.
 - A. School Initiatives for Academic Improvement

- B. Strategic Initiatives for 2026-27
- X. Closed Session
 - A. Public Employee Performance Evaluation (Gov. Code section 54957(b)(1).)
 - B. Special Education Due Process - Confidential Student Matter
- XI. Open Session
- XII. Action Taken in Closed Session
- XIII. Dates and Future Agenda Items conditions
- XIV. Adjourn



HEARTWOOD
CHARTER SCHOOL

Heartwood Charter School Governing Board

Bothin Program Class Enrollment Limits 2026-27

8/11/2026 [Approved Update](#)

2026-27 School Year

Class	Enrollment Status	Current Enrollment
TK 1 (youngest)	Open to capacity of 10 (minimum 10)	--
TK 2	Open to capacity limit of 16	16
K	Open to capacity limit of 20	20
1	Open to capacity limit of 24	22
2	Open to capacity limit of 22	19
3	Frozen enrollment and currently closed	19
4	Frozen enrollment and currently closed	21
5	Open to capacity limit of 21	19
6	Closed at capacity limit of 17	17
7	Frozen enrollment and currently closed	16
8	Frozen enrollment and currently closed	19

Open classes may have room for additional students up to the stated capacity limit. Individual classes may have different size limits. Once the limit is reached, the classes are closed. Student withdrawals may be filled up to the limit.

Closed classes are currently closed to new students, but withdrawals may be filled up to the stated limit.

Frozen enrollment classes are currently closed to new students and only currently enrolled students will be admitted. There is not a stated class size limit, and withdrawals will not be filled. Additional students may be admitted if recommended by Administration and approved by the Governing Board.

Limited classes are closed with a limited number of new students allowed. After the new student limit is reached, the class will be again closed and frozen. There is not a stated class size limit, and withdrawals will not be filled.

Summary and Key Provisions

Agreement for Continued Operation of Resource Center

Heartwood School and Ross Valley School District

September 29, 2026

Key Provisions of the Agreement

1. Heartwood may continue to operate Bothin Resource Center, subject to Conditions
2. Term – for the entire renewal term of School's charter
3. Conditions
 - a. Maximum enrollment of 215 students
 - b. Requires report once per year in October from Heartwood's enrollment records
 - c. Grades served TK – 8
 - d. May not add a facility or change location within District boundaries, except for
 - i. Damage or destruction by natural phenomena
 - ii. Lease revoked or property sold
 - iii. Other legitimate grounds as agreed
 - iv. Requires notification and agreement with District on new location
 - v. Requires material revision of charter if location triggers relocation
 - e. Operations at resource center must remain consistent with charter
 - f. Waive Prop 39 rights
4. Failure to satisfy Conditions
 - a. 30 days to correct
 - b. If not corrected permission terminates at end of school year
 - c. If not corrected, multiple violations may result in 30-day termination
5. No right to local to District property tax funding
6. Agreement does not serve as endorsement towards renewal of Charter
7. Cannot assign rights of this agreement
8. May terminate early if any provision is found to be illegal

AGREEMENT FOR CONTINUED OPERATION OF HEARTWOOD CHARTER SCHOOL WITHIN ROSS VALLEY SCHOOL DISTRICT BOUNDARIES

(Heartwood Charter School / Ross Valley School District)

This **AGREEMENT FOR CONTINUED OPERATION OF CHARTER SCHOOL WITHIN DISTRICT BOUNDARIES** (“Agreement”) is made and entered into by and between Heartwood Charter School (“Nonprofit”), a nonprofit public benefit corporation operating Heartwood Charter School (“Heartwood”; together, the “Charter School”), and the Ross Valley School District (“District”). The Nonprofit, operating Heartwood, and the District shall be individually referred to herein as a “Party” and collectively referred to herein as the “Parties.”

RECITALS

- a. The District is a public school district located in Marin County, California.
- b. The Charter School is authorized by the Liberty Elementary School District, located in Sonoma County, and its current charter term expires on June 30, 2027.
- c. The Charter School is a nonclassroom-based charter school that operates a resource center located within the District’s geographical boundaries at 3125 Sir Francis Drake Blvd., Fairfax, California 94930 (“Resource Center”).
- d. The Charter School represents that, at the time of its establishment in 2019, the Resource Center met the legal requirements of Education Code sections 47605 and 47605.1 with respect to the geographical site restrictions then-applicable to charter schools. However, the District has not been able to confirm whether the Charter School, at the time the Resource Center was established, was providing its primary educational services in, and the majority of its students being served were residents of, the county in which the Charter School was authorized, which was an express condition and prerequisite imposed by former Education Code section 47605.1(c) for the operation of a resource center in an adjacent county.
- e. Effective January 1, 2020, Assembly Bill 1507 amended Education Code section 47605.1 to remove the authority of a charter school to locate outside of the jurisdiction or geographical boundaries of the school district where the charter school is physically located, except under very limited circumstances.
- f. Education Code section 47605(c)(5)(A) now provides that a “charter school that was operating a resource center, meeting space, or other satellite facility outside the jurisdiction of the school district where the charter school is physically located before January 1, 2020, may continue to operate the resource center, meeting space, or other satellite facility until the charter school submits a request for the renewal of its charter petition. To continue operating the resource center, meeting space, or other satellite facility, the charter school, before submitting the request to the charter school’s chartering authority for the renewal of the charter petition, shall first obtain approval in

writing from the school district where the resource center, meeting space, or other satellite facility is operating.”

- g. The Executive Director and Board President of the Charter School sent written correspondence, dated July 10, 2026, to the Superintendent and Board President of the District to request approval in writing for the Charter School to continue to operate the Resource Center within the District’s boundaries if its charter is renewed for an additional term beginning on July 1, 2027, a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference.
- h. Subject to final approval by the District’s Governing Board, the District permits the Charter School to continue operating within the District’s geographical boundaries so long as certain conditions are maintained and/or met, as further detailed in this Agreement.
- i. The Nonprofit shall be responsible for, and have all rights and benefits attributable to, Heartwood, as further described in this Agreement. Whenever this Agreement obligates Heartwood or the Charter School to a course of action or prohibits or limits Heartwood or the Charter School from a course of action, the Nonprofit shall also be required to fulfill such obligation and be subject to such prohibition or limitation.

AGREEMENT

- 1. **Term.** The term of this Agreement shall begin on the Effective Date, as defined in Section 11.e. below, and shall end on the date in which the Charter School’s Renewal Charter Term expires (“Term”). For purposes of this Agreement, the term “Renewal Charter Term” refers to the Charter School’s charter term beginning on July 1, 2027 and ending on the expiration date of that term, as authorized by the Charter School’s chartering authority. If the Charter School’s charter is not renewed for the Renewal Charter Term, this Agreement shall automatically terminate and the Charter School shall have no right whatsoever to continue operating any facility within the District’s geographical boundaries after June 30, 2027.
- 2. **Early Termination.** This Agreement shall terminate if the Charter School’s charter is revoked or if the Charter School closes for any reason during the Term, except for those provisions surviving termination. In the event of charter revocation, this Agreement shall remain in effect pending exhaustion of any appeal proceedings, but no later than the expiration date of Renewal Charter Term.
- 3. **Amendment/Modification.** This Agreement may only be amended in writing during the Term by mutual agreement. Any modification to this Agreement shall be in writing, executed by the duly authorized representatives of the Parties, approved or ratified by the Parties’ respective governing boards, and specifically indicate the intent of the Parties to modify this Agreement. No oral or other agreements or understandings shall be effective to modify or alter the written terms of this Agreement.
- 4. **Designated Representatives.**

- a. Charter School. The Charter School's designated representative shall be the Executive Director or designee, who shall have the authority to act on behalf of the Charter School, except to the extent action by the Charter School's Board of Directors is required.
- b. District. The District's designated representative shall be the Superintendent or designee who shall have the authority to act on behalf of the District, except to the extent action by the District's Governing Board is legally required.

5. **Conditions to Operate within District Boundaries.**

- a. Enrollment Growth Cap. During the Term of this Agreement, the Charter School shall not exceed a total schoolwide ~~growth~~ **enrollment** (i.e., all grade levels served) of 215 students assigned to, or receiving support/instructional services at, the Resource Center ("Maximum Resource Center Capacity"). The Charter School's total student enrollment for a given school year shall be determined based on enrollment data from Charter School's School Pathways SIS (or the SIS in use at that time by Charter School) on Census Day for each school year. The Charter School shall promptly report enrollment for the Resource Center by submitting enrollment data to the District within five (5) business days of Census Day. The enrollment data shall be in the form of an electronic export directly from School Pathways SIS of all students assigned to and attending the Resource Center without alteration. The export shall include, at a minimum, all currently enrolled Resource Center students, a student identifier, grade level, program, and the assigned Resource Center. The Charter School agrees to promptly provide the District, upon request, with additional documentary evidence should the District deem the School Pathways SIS enrollment data insufficient to verify total student enrollment at the Resource Center.
- b. Grade Levels Served. During the Term of this Agreement, the Charter School shall not add any new grade levels beyond transitional kindergarten through eighth grade (TK-8) to attend, receive instructional services, or be served in any other capacity at the Resource Center.
- c. Facility Expansion/Change. As of the Effective Date of this Agreement, the Charter School represents that its Resource Center is adequate to accommodate up to the Maximum Resource Center Capacity.
 - i. The Charter School shall not add a facility or change the location of its Resource Center within the District's boundaries during the Term of this Agreement, except under the following circumstances:
 - (1) Damage or destruction to the Resource Center due to natural phenomena, acts of God, or other causes that are unrelated to the acts or omissions of the Charter School (e.g., explosions, fires, earthquakes, flooding, lightning, storms, landslides, hurricanes, etc.).

- (2) The owner/landlord of the Resource Center decides not to renew or enter into a new lease with the Charter School, and the expiration of the term of the lease falls during the Term of this Agreement.
 - (3) The owner/landlord of the Resource Center decides to sell the Resource Center during the Term of this Agreement and the Charter School must move out of the property prior to expiration of this Agreement.
 - (4) Any other circumstance the Parties mutually agree in writing serves as legitimate or reasonable grounds for the Charter School to relocate its educational program to a different facility.
- ii. If one or more of the circumstances enumerated in Section 5.c.i.(1)-(4) occur(s), the Charter School shall do all of the following before entering into a rental, lease, or purchase agreement for a different or alternative facility and prior to occupation or use of the facility within the boundaries of the District:
 - (1) Notify the District in writing of the need to change its Resource Center location, the circumstances(s) prompting the change, and the anticipated date or time frame in which the Charter School must vacate the Resource Center.
 - (2) Identify all potential or proposed alternative facilities location(s) under consideration by the Charter School to relocate its Resource Center, which shall include the physical location, square footage of the site, and details of the space that make it conducive to operating a resource center for students enrolled in the Charter School. Any potential or proposed facility shall not be located within a two (2) mile radius of any public school operated by the District, unless suitable alternative facilities are not reasonably available elsewhere within the District (taking into account the Charter School's needs, costs, and budgetary considerations), in which case the Charter School will provide information to the District regarding the same and seek written permission from the District prior to occupation, permission which shall not be unreasonably withheld by the District. If the District intends to withhold permission for an alternative facility location, the District shall provide a written explanation of its reasons within thirty (30) days of the Charter School's request.
 - (3) Submit a written request for a material revision to its charter to the Charter School's chartering authority concerning the change in location of the Resource Center and all details concerning the proposed alternative facility; provided, however, if the chartering authority does not consider a change in location as a material

revision, obtain confirmation in writing from the chartering authority and submit it to the District. If a material revision is required and is denied by the chartering authority, the Charter School shall not be authorized to operate its educational program at the proposed alternative facility.

- d. Charter Operations. The Charter School shall only operate a charter school program within the District's boundaries in a manner that is wholly consistent with its authorized charter.
 - e. Unconditional Waiver of Proposition 39 Rights. The Charter School acknowledges and agrees that it has no entitlement whatsoever to use of District-owned facilities pursuant to Education Code section 47614 or its implementing regulations under Title 5 of the California Code of Regulations, sections 11969 et seq., also known as "Proposition 39." The Charter School further agrees that it shall not submit a written request for use of District facilities and hereby expressly, voluntarily, and unconditionally waives all of its rights and entitlement to use of District facilities under Proposition 39 during the Term of this Agreement.
 - f. Approval in Writing. Upon full execution of this Agreement, the District shall provide approval in writing to Charter School pursuant to Education Code section 47605(c)(5)(A) in substantially the form attached hereto as **Exhibit B.**
6. **Failure to Satisfy Conditions During Term of Agreement.** The Charter School understands and agrees that compliance with this Agreement, including all terms and conditions included herein, is a requirement for the Charter School's continued operation within the District's boundaries during the Term of this Agreement. If any of the conditions set forth in Section 5 above are not fulfilled, not maintained, or violated, the District shall provide the Charter School with written notice identifying the condition(s) that the Charter School has violated. The Charter School shall have thirty (30) calendar days to correct or resolve the violation(s) and submit written evidence demonstrating such compliance to the District. If the violation(s) is/are not fully resolved or corrected to the District's satisfaction within the 30-day cure period, the Charter School shall no longer be authorized to operate within the District's boundaries. To avoid displacement of students, the Charter School shall be permitted to remain at the Resource Center or the then-current facility through the remainder of the then-current school year so long as additional violations of the above-referenced conditions do not occur. For illustration purposes only, if the Charter School violates a condition that is not timely resolved as set forth herein, it shall cease providing educational or any other Charter School-related services to students within the District's boundaries as of June 30th of the same school year. Additionally, if the Charter School engages in one or more violations during this time period and fails to correct or resolve such violation(s) within thirty (30) days of written notice by the District, this Agreement shall terminate immediately upon the end of the 30-day cure period and the Charter School shall no longer be authorized to operate any facility within the District's boundaries. The District shall have all rights available in law and in equity to enforce the terms and conditions set forth in this Agreement.

7. **No District Payment of In Lieu of Property Taxes or Other Funding Obligations.** Except to the extent expressly required by applicable law, the District shall have no obligation, solely by reason of the Charter School's operation of the Resource Center within the District's boundaries, to transfer, pay, apportion, or otherwise provide to the Charter School any funding in lieu of property taxes, local property-tax revenues, or other operational or educational-related funding. The Parties acknowledge that, pursuant to Education Code section 47635, the obligation to transfer funding in lieu of property taxes rests with the applicable sponsoring local educational agency, and nothing in this Agreement shall be construed to make the District the Charter School's sponsoring local educational agency or otherwise impose upon the District any funding obligation applicable to the Charter School's sponsoring local educational agency.
8. **No Endorsement of Charter School or Effect on Renewal Petition.** The District's approval and execution of this Agreement shall not constitute, and shall not be construed as, an endorsement, approval, or support of the Charter School, its educational program, operations, or practices. Further, nothing in this Agreement shall be construed as expressing or implying that the District supports, encourages, or otherwise favors the renewal of the Charter School's charter by its chartering authority.
9. **Supervision/Compliance with Laws, Regulations, and Charter.** The Charter School shall be solely responsible for the safety and supervision of its students, employees, contractors, invitees, and visitors while at the Resource Center and for compliance with all applicable federal, state, and local laws, ordinances, regulations, orders, and requirements relating to the Charter School's occupation, possession, use, maintenance, management, supervision, and/or operation of the Resource Center.
10. **Indemnification by Charter School.** To the fullest extent permitted by law, the Charter School shall indemnify, defend, and hold harmless District, its trustees, officers, employees, representatives, agents, and volunteers (collectively, "District Indemnitees") from and against any and all claims, demands, actions, suits, proceedings, liabilities, losses, damages, judgments, penalties, fines, costs, and expenses, including reasonable attorneys' fees and costs of defense, arising out of, relating to, or resulting from (a) any breach or default in the performance of any obligation of the Charter School under this Agreement, (b) any act, omission, negligence, or willful misconduct of the Charter School or any of its directors, officers, employees, agents, representatives, contractors, subcontractors, invitees, students, parents, guardians, or visitors, or (c) the occupation, possession, use, maintenance, management, supervision, or operation of the Resource Center, or any activity, program, service, event, or other use conducted or permitted by the Charter School at or in connection with the Resource Center.

Without limiting the foregoing, the Charter School shall have sole responsibility and liability for, and the District shall have no liability or responsibility whatsoever arising solely by reason of, the occupation, possession, use, maintenance, management, supervision, or operation of the Resource Center by the Charter School or by any person acting on behalf of or under the direction or control of the Charter School. The Charter School acknowledges that the District's consent to the continued operation of the Resource Center pursuant to this Agreement does not constitute, and shall not be

construed as, the District's operation, management, supervision, control, sponsorship, or endorsement of the Resource Center or any educational program, activity, service, or other use conducted thereon.

To the fullest extent permitted by law, the District shall not be liable for any injury, death, loss, damage, claim, or expense arising out of or relating to the condition, occupation, possession, use, maintenance, management, supervision, or operation of the Resource Center or any activity conducted thereon by the Charter School, except to the extent such liability is finally determined to have resulted from the sole negligence or willful misconduct of a District Indemnitee. Nothing in this Agreement shall be construed to impose upon the District any duty to supervise the Charter School, its students, employees, contractors, invitees, or visitors, or any activities conducted by the Charter School at the Resource Center.

If any claim, action, or proceeding is brought or threatened against any District Indemnitee arising out of or relating to any matter covered by this Section 10, the Charter School shall, upon written notice from the District, promptly assume the defense thereof with counsel reasonably acceptable to the District and shall pay all costs and expenses of such defense. The Charter School shall not settle any claim in a manner that imposes any liability, obligation, restriction, admission of fault, or other adverse consequence upon any District Indemnitee without the District's prior written consent.

The obligations of the Charter School under this Section 10 shall apply regardless of whether the claim is asserted against the Charter School, the District, or any other person or entity, and shall survive the expiration or earlier termination of this Agreement with respect to any act, omission, condition, occurrence, or claim arising during the Term of this Agreement.

11. **Additional Provisions.**

- a. **Non-Assignment.** Neither Party shall assign its rights, duties, or privileges under this Agreement, nor shall either Party attempt to confer any of its rights, duties, or privileges under this Agreement on any third party, without the advanced written consent of the other Party. Any assignment in violation of this provision shall be void.
- b. **Notices.** Any notice, documentation, and/or information required or permitted to be given under this Agreement shall be deemed to have been given, served, and received if given in writing and personally delivered or either deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, or sent by overnight delivery service or facsimile transmission, or received by e-mail, addressed as set forth below. A Party may change the below contact information upon written notice to the other Party:

If to the District:

Ross Valley School District
Attn: Tyler Graff, Superintendent
100 Shaw Drive

San Anselmo, CA 94960
Email: tgraff@rossvalleyschools.org

If to the Charter School: Heartwood Charter School
Attn: Stephanie Felton-Priestner, Executive
Director
170 Liberty School Road
Petaluma, CA 94978
Email:
stephanie@heartwoodcharterschool.org

- c. Severability. If any provision or any part of this Agreement is, for any reason, held to be invalid or unenforceable or contrary to public policy, law, and/or ordinance, either Party may choose to terminate this Agreement early. Otherwise, the remainder of the Agreement shall not be affected thereby and shall remain valid and fully enforceable.
- d. Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the matters covered herein and supersedes any oral or written understanding or agreements between the Parties with respect to the subject matter of this Agreement.
- e. Effective Date. The effective date of this Agreement (“Effective Date”) shall be the date in which the Agreement is fully executed by the authorized representatives of Parties and approved by their respective governing boards, whichever date is latest.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed, such Parties acting by their representatives being thereunto duly authorized.

HEARTWOOD CHARTER SCHOOL

Dated _____

By: _____
Stephanie Felton-Priestner,
Executive Director

Date of Board of Directors approval/ratification: _____

ROSS VALLEY SCHOOL DISTRICT

Dated _____

By: _____
Tyler Graff, Superintendent

Date of Governing Board approval/ratification: _____

EXHIBIT A

**July 10, 2026 Written Request to Continue Operating
Resource Center within District Boundaries**

EXHIBIT B

**Approval in Writing to Continue Operating
Resource Center within District Boundaries**

[District Letterhead]

Heartwood Charter School
Attn: Stephanie Felton-Priestner, Executive Director
170 Liberty School Road
Petaluma, CA 94978
Email: stephanie@heartwoodcharterschool.org

Dear Ms. Felton-Priestner:

This letter serves as the Ross Valley School District's approval in writing as required by Education Code section 47605(c)(5)(A) for Heartwood Charter School to continue operating its charter school resource center located at 3125 Sir Francis Drake Blvd., Fairfax, California 94930 for one charter term beginning July 1, 2027, subject to the terms and conditions set forth in the Agreement for Continued Operation of Heartwood Charter School within Ross Valley School District Boundaries dated [insert Effective Date of Agreement].

Sincerely,

[Name]
[Title]

407-5/9537228.1

Charter School Certification - July 1, 2025 to June 30, 2026

County: Sonoma County

Charter Number: 2071

Note: An Alternative Form submitted to the California Department of Education will not be considered a valid submission if the following information is missing:

For information regarding this report, please contact:

For County Fiscal Contact:	For Approving Entity:	For Charter School:
Name: Felicia Aguirre	Name: Beth Acosta	Name: Paul Khoury
Title: Director External Fiscal Services	Title: Superintendent	Title: Senior School Finance Manager
Telephone: 707-524-8412	Telephone: 707-795-4380	Telephone: 341-234-3615
Email address: faguirre@scoe.org	Email address: bacosta@libertysd.org	Email address: paul.khoury@vertexeducation.com

To the Entity that Approved the Charter School:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

- ☒ **(Selected)** This report has been approved, and is hereby filed by the charter school pursuant to Education Code Section 42100(b).

Charter School Official:

Signature (Original Signature Required):

Date (MM/DD/YYYY): 09/14/2026

Printed Name: Mark Puccinelli

Title: Board President

 9.23.2026

To the County Superintendent of Schools:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

- ☐ (Unselected) This report is hereby filed with the County Superintendent pursuant to Education Code Section 42100(a).

Authorized Representative of Charter Approving Entity:

Signature (Original Signature Required):

Date (MM/DD/YYYY): 09/15/2026

Printed Name: Beth Acosta

Title: crafanelli@libertysd.org

To the Superintendent of Public Instruction:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

- ☐ (Unselected) This report has been verified for mathematical accuracy by the County Superintendent of Schools pursuant to *Education Code* Section 42100(a).

County Superintendent/Designee:

Signature (*Original Signature Required*): _____

Date (MM/DD/YYYY): _____

Charter School Certification - July 1, 2025 to June 30, 2026

County: Sonoma County

Charter Number: 2071

Note: An Alternative Form submitted to the California Department of Education will not be considered a valid submission if the following information is missing:

For information regarding this report, please contact:

For County Fiscal Contact:	For Approving Entity:	For Charter School:
Name: Felicia Aguirre	Name: Beth Acosta	Name: Paul Khoury
Title: Director External Fiscal Services	Title: Superintendent	Title: Senior School Finance Manager
Telephone: 707-524-8412	Telephone: 707-795-4380	Telephone: 341-234-3615
Email address: faguirre@scoe.org	Email address: bacosta@libertysd.org	Email address: paul.khoury@vertexeducation.com

To the Entity that Approved the Charter School:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

- ☒ **(Selected)** This report has been approved, and is hereby filed by the charter school pursuant to *Education Code Section 42100(b)*.

Charter School Official:

Signature (*Original Signature Required*): _____

Date (MM/DD/YYYY): 09/14/2026

Printed Name: Mark Pucinelli

Title: Board President

To the County Superintendent of Schools:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

- ☐ (Unselected) This report is hereby filed with the County Superintendent pursuant to *Education Code Section 42100(a)*.

Authorized Representative of Charter Approving Entity:

Signature (*Original Signature Required*): _____

Date (MM/DD/YYYY): 09/15/2026

Printed Name: Chris Rafanelli

Title: crafanelli@libertysd.org

To the Superintendent of Public Instruction:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

- ☐ (Unselected) This report has been verified for mathematical accuracy by the County Superintendent of Schools pursuant to *Education Code* Section 42100(a).

County Superintendent/Designee:

Signature (*Original Signature Required*): _____

Date (MM/DD/YYYY): _____

Alternative Form - July 1, 2025 to June 30, 2026

County: Sonoma County

Charter Number: 2071

This charter school uses the following basis of accounting: (Select one)

(X) (Selected) Accrual Basis (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities/Net Position objects are 6900–6920, 7438, 9400–9489, 9660–9669, 9796, and 9797)

() (Unselected) Modified Accrual Basis (Applicable Capital Outlay/Debt Service/Fund Balance objects are 6100–6170, 6200–6700, 7438, 7439, and 9711–9789)

Description	Object Codes	Unrestricted	Restricted	Total
A. Revenues				
1. Local Control Funding Formula (LCFF) Sources	-	-	-	-
State Aid - Current Year	8011	4,927,445.00	-	4,927,445.00
Education Protection Account State Aid - Current Year	8012	157,012.00	-	157,012.00
State Aid - Prior Years	8019	0.00	-	0.00
Transfers to Charter Schools in Lieu of Property Taxes	8096	4,497,734.00	-	4,497,734.00
Other LCFF Transfers	8091, 8097	0.00	0.00	0.00
Total, LCFF Sources		9,582,191.00	0.00	9,582,191.00
2. Federal Revenues (See note in Section L)	-	-	-	-
Every Student Succeeds Act	8290	-	0.00	0.00
Special Education - Federal	8181, 8182	-	150,998.04	150,998.04
Child Nutrition - Federal	8220	-	0.00	0.00
Donated Food Commodities	8221	-	0.00	0.00
Other Federal Revenues	8110, 8260–8299	0.00	0.00	0.00
Total, Federal Revenues		0.00	150,998.04	150,998.04
3. Other State Revenues (StateRev)	-	-	-	-
Special Education (SE) - State	StateRevSE	-	727,302.95	727,302.95
All Other (AO) State Revenues	StateRevAO	258,783.36	416,643.40	675,426.76
Total, Other State Revenues		258,783.36	1,143,946.35	1,402,729.71
4. Other Local Revenues (LocalRev)	-	-	-	-
All Other Local Revenues	LocalRevAO	122,375.10		122,375.10
Total, Local Revenues		122,375.10	0.00	122,375.10
5. Total Revenues		9,963,349.46	1,294,944.39	11,258,293.85
B. Expenditures (See note in Section L)				
1. Certificated Salaries	-	-	-	-
Certificated Teachers' Salaries	1100	3,456,866.45	694,354.93	4,151,221.38
Certificated Pupil Support Salaries	1200	0.00	0.00	0.00

Description	Object Codes	Unrestricted	Restricted	Total
Certificated Supervisors' and Administrators' Salaries	1300	349,035.01	0.00	349,035.01
Other Certificated Salaries	1900	0.00	0.00	0.00
Total, Certificated Salaries		3,805,901.46	694,354.93	4,500,256.39
2. Noncertificated Salaries	-	-	-	-
Noncertificated Instructional Salaries	2100	419,513.86	0.00	419,513.86
Noncertificated Support Salaries	2200	0.00	0.00	0.00
Noncertificated Supervisors' and Administrators' Salaries	2300	107,946.85	26,901.52	134,848.37
Clerical, Technical and Office Salaries	2400	521,816.20	0.00	521,816.20
Other Noncertificated Salaries	2900	0.00	0.00	0.00
Total, Noncertificated Salaries		1,049,276.91	26,901.52	1,076,178.43
3. Employee Benefits	-	-	-	-
State Teachers' Retirement System (STRS)	3101–3102	0.00	0.00	0.00
Public Employees' Retirement System (PERS)	3201–3202	0.00	0.00	0.00
Social Security Taxes (OASDI)/Medicare/Alternative	3301–3302	367,956.73	48,932.65	416,889.38
Health and Welfare Benefits	3401–3402	261,345.30	223,057.47	484,402.77
Unemployment Insurance	3501–3502	170,921.08	22,730.00	193,651.08
Workers' Compensation Insurance	3601–3602	74,206.33	0.00	74,206.33
Postemployment Benefits Other Than Pension (OPEB), Allocated	3701–3702	0.00	0.00	0.00
OPEB, Active Employees	3751–3752	0.00	0.00	0.00
Other Employee Benefits	3901–3902	352,356.27	63,613.57	415,969.84
Total, Employee Benefits		1,226,785.71	358,333.69	1,585,119.40
4. Books and Supplies	-	-	-	-
Approved Textbooks and Core Curricula Materials	4100	0.00	0.00	0.00
Books and Other Reference Materials	4200	0.00	0.00	0.00
Materials and Supplies	4300	1,245,310.53	0.00	1,245,310.53
Noncapitalized Equipment	4400	6,665.28	0.00	6,665.28
Food	4700	106,978.65	0.00	106,978.65
Total, Books and Supplies		1,358,954.46	0.00	1,358,954.46
5. Services and Other Operating Expenditures	-	-	-	-
Subagreements for Services	5100	0.00	0.00	0.00
Travel and Conferences	5200	0.00	0.00	0.00
Dues and Memberships	5300	14,731.00	0.00	14,731.00
Insurance	5400	39,645.55	0.00	39,645.55
Operations and Housekeeping Services	5500	60,661.82	0.00	60,661.82
Rentals, Leases, Repairs, and Noncapitalized Improvements	5600	283,126.76	0.00	283,126.76
Transfers of Direct Costs	5700–5799	0.00	0.00	0.00

Description	Object Codes	Unrestricted	Restricted	Total
Professional/Consulting Services and Operating Expenditures	5800	636,490.26	1,373,865.18	2,010,355.44
Communications	5900	18,145.18	0.00	18,145.18
Total, Services and Other Operating Expenditures		1,052,800.57	1,373,865.18	2,426,665.75
6. Capital Outlay (Objects 6100–6170, 6200–6700 modified accrual basis only)	-	-	-	-
Land and Land Improvements	6100–6170	-	-	0.00
Buildings and Improvements of Buildings	6200	-	-	0.00
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	-	-	0.00
Equipment	6400	-	-	0.00
Equipment Replacement	6500	-	-	0.00
Lease Assets	6600	-	-	0.00
Subscription Assets	6700	-	-	0.00
Depreciation Expense (Accrual basis only)	6900	0.00	0.00	0.00
Amortization Expense - Lease Assets (Accrual basis only)	6910	0.00	0.00	0.00
Amortization Expense - Subscription Assets (Accrual basis only)	6920	0.00	0.00	0.00
Total, Capital Outlay		0.00	0.00	0.00
7. Other Outgo	-	-	-	-
Tuition to Other Schools	7110–7143	0.00	0.00	0.00
Transfers of Pass-Through Revenues to Other Local Educational Agencies (LEAs)	7211–7213	0.00	0.00	0.00
Transfers of Apportionments to Other LEAs - Special Education	7221–7223SE	-	0.00	0.00
Transfers of Apportionments to Other LEAs - All Other	7221–7223AO	0.00	0.00	0.00
All Other Transfers	7281–7299	0.00	0.00	0.00
Transfers of Indirect Costs	7300–7399	0.00	0.00	0.00
Debt Service:	-	-	-	-
Interest	7438	198.00	0.00	198.00
Principal (For modified accrual basis only)	7439	-	-	0.00
Total Debt Service		198.00	0.00	198.00
Total, Other Outgo		198.00	0.00	198.00
8. Total Expenditures		8,493,917.11	2,453,455.32	10,947,372.43
C. Excess (Deficiency) of Revenues over Expenditures before Other Financing Sources and Uses (A5 - B8)		1,469,432.35	(1,158,510.93)	310,921.42
D. Other Financing Sources/Uses				
1. Other Sources	8930–8979	0.00	0.00	0.00
2. Less: Other Uses	7630–7699	0.00	0.00	0.00
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980–8999	(1,148,510.93)	1,148,510.93	0.00

Description	Object Codes	Unrestricted	Restricted	Total
4. Total Other Financing Sources/Uses		(1,148,510.93)	1,148,510.93	0.00
E. Net Increase (Decrease) in Fund Balance/Net Position (C + D4)		320,921.42	(10,000.00)	310,921.42
F. Fund Balance/Net Position				
1. Beginning Fund Balance/Net Position	-	-	-	-
a. As of July 1	9791	2,598,798.30	0.00	2,598,798.30
b. Adjustments/Restatements	9793, 9795	311,242.00	10,000.00	321,242.00
c. Adjusted Beginning Fund Balance/Net Position		2,910,040.30	10,000.00	2,920,040.30
2. Ending Fund Balance/Net Position, June 30 (E + F1c)		3,230,961.72	0.00	3,230,961.72
Components of Ending Fund Balance (Modified Accrual Basis only)	-	-	-	-
a. Nonspendable	-	-	-	-
1. Revolving Cash (equals Object 9130)	9711	-	-	0.00
2. Stores (equals Object 9320)	9712	-	-	0.00
3. Prepaid Expenditures (equals Object 9330)	9713	-	-	0.00
4. All Others	9719	-	-	0.00
b. Restricted	9740	-	-	0.00
c. Committed	-	-	-	-
1. Stabilization Arrangements	9750	-	-	0.00
2. Other Commitments	9760	-	-	0.00
d. Assigned	9780	-	-	0.00
e. Unassigned/Unappropriated	-	-	-	-
1. Reserve for Economic Uncertainties	9789	-	-	0.00
2. Unassigned/Unappropriated Amount	9790M	-	-	0.00
3. Components of Ending Net Position (Accrual Basis only)	-	-	-	-
a. Net Investment in Capital Assets	9796	0.00	0.00	0.00
b. Restricted Net Position	9797	-	0.00	0.00
c. Unrestricted Net Position	9790A	3,230,961.72	0.00	3,230,961.72
G. Assets				
1. Cash	-	-	-	-
a. In County Treasury	9110	0.00	0.00	0.00
b. Fair Value Adjustment to Cash in County Treasury	9111	0.00	0.00	0.00
c. In Banks	9120	195,531.92	217,585.00	413,116.92
d. In Revolving Fund	9130	0.00	0.00	0.00
e. With Fiscal Agent/Trustee	9135	0.00	0.00	0.00
f. Collections Awaiting Deposit	9140	0.00	0.00	0.00
2. Investments	9150	0.00	0.00	0.00
3. Accounts Receivable	9200	3,877,301.79	0.00	3,877,301.79

Description	Object Codes	Unrestricted	Restricted	Total
4. Due from Grantor Governments	9290	0.00	0.00	0.00
5. Stores	9320	0.00	0.00	0.00
6. Prepaid Expenditures (Expenses)	9330	13,220.66	0.00	13,220.66
7. Other Current Assets	9340	0.00	0.00	0.00
8. Lease Receivable	9380	0.00	0.00	0.00
9. Capital Assets (accrual basis only)	9400–9489	0.00	0.00	0.00
10. Total, Assets		4,086,054.37	217,585.00	4,303,639.37
H. Deferred Outflows of Resources				
1. Deferred Outflows of Resources	9490	0.00	0.00	0.00
2. Total, Deferred Outflows		0.00	0.00	0.00
I. Liabilities				
1. Accounts Payable	9500	838,994.65	0.00	838,994.65
2. Due to Grantor Governments	9590	16,098.00	0.00	16,098.00
3. Current Loans	9640	0.00	0.00	0.00
4. Unearned Revenue	9650	0.00	217,585.00	217,585.00
5. Long-Term Liabilities (accrual basis only)	9660–9669	0.00	0.00	0.00
6. Total, Liabilities		855,092.65	217,585.00	1,072,677.65
J. Deferred Inflows of Resources				
1. Deferred Inflows of Resources	9690	0.00	0.00	0.00
2. Total, Deferred Inflows		0.00	0.00	0.00
K. Fund Balance/Net Position				
Ending Fund Balance/Net Position, June 30 (G10 + H2) - (I6 + J2) (must agree with Line F2)		3,230,961.72	0.00	3,230,961.72

**L. Federal Every Student Succeeds Act (ESSA) Maintenance of Effort (MOE) Requirement -
July 1, 2025 to June 30, 2026**

County: Sonoma County

Charter Number: 2071

Note: If your charter school received federal funding, as reported in Section A2, the following additional information must be provided in order for the CDE to calculate compliance with the Federal ESSA MOE Requirement:

1. Federal Revenue Used for Capital Outlay and Debt Service

Included in the Capital Outlay and Debt Service expenditures reported in sections B6 and B7 are the following amounts paid out of federal funds:

Federal Program Name (If no amounts, indicate "None")	Capital Outlay (\$)	Debt Service (\$)	Total
a. None	0.00	0.00	0.00
b.			0.00
c.			0.00
d.			0.00
e.			0.00
f.			0.00
g.			0.00
h.			0.00
i.			0.00
j.			0.00
Total Federal Revenues Used for Capital Outlay and Debt Service	0.00	0.00	0.00

2. Community Services Expenditures

Provide the amount of State and Local funds reported in Section B that were expended for Community Services Activities:

Expenditures	Object Codes	Amount (\$) (Enter "0.00" if none)
a. Certificated Salaries	1000–1999	0.00
b. Noncertificated Salaries	2000–2999	0.00
c. Employee Benefits	3000–3999	0.00
d. Books and Supplies	4000–4999	0.00
e. Services and Other Operating Expenditures	5000–5999	0.00
Total Community Services Expenditures		0.00

3. Supplemental State and Local Expenditures resulting from a Presidentially Declared Disaster

Date of Presidential Disaster Declaration (MM/DD/YYYY)	Brief Description (If no amounts, indicate "None")	Amount (\$)
a.	None	0.00
b.		
c.		
d.		
Total Supplemental Expenditures (Should not be Negative)		0.00

4. State and Local Expenditures to be Used for ESSA Annual Maintenance of Effort Calculation:

Results of this calculation will be used for comparison with 2024–25 expenditures. Failure to maintain the required 90 percent expenditure level on either an aggregate or per capita expenditure basis may result in reduction to allocations for covered programs in 2027–28.

Description	Amount (\$)
a. Total Expenditures (B8)	10,947,372.43
b. Less Federal Expenditures (Total A2) [Revenues are used as proxy for expenditures because most federal revenues are normally recognized in the period that qualifying expenditures are incurred]	150,998.04
c. Subtotal of State & Local Expenditures [a minus b]	10,796,374.39
d. Less Community Services [L2 Total]	0.00
e. Less Capital Outlay & Debt Service [Total B6 plus objects 7438 and 7439, less L1 Total, less objects 6600, 6700, 6910 and 6920]	198.00
f. Less Supplemental Expenditures made as the result of a Presidentially Declared Disaster	0.00
Total State & Local Expenditures Subject to MOE [c minus d minus e minus f]	10,796,176.39

Heartwood Charter School
Spending Plan 2026-27
Bothin Community Donated Funds
9/8/2026 **Proposed**

Bothin Program Field Trips	\$	45,000.00
Bothin Enrichment and Festival Expenses	\$	3,000.00
Faculty Appreciation	\$	3,000.00
Bothin Campus Furnishings		
Chalkboards	\$	1,200.00
New desks	\$	1,500.00
K cooling	\$	2,000.00
New Math Curriculum	\$	11,000.00
Bothin Site Rent	\$	33,300.00
Total	\$	100,000.00

Heartwood Charter School
Actual Expenses 2025-26
Bothin Community Donated Funds
6/30/2026

Bothin Program Field Trips	\$	23,059.00
Bothin Enrichment and Festivals	\$	790.00
Faculty Appreciation	\$	1,077.00
Bothin Campus Furnishings		
K Play Structure	\$	2,859.52
New Carpets	\$	10,365.40
K Cubbies	\$	3,000.00
Bothin Campus Rent Increase	\$	37,000.00
Bothin Campus Rent	\$	11,849.08
Total	\$	90,000.00

Heartwood Charter School

Employee Health Benefit School Contributions 2026-27

9/29/2025 **Proposed**

Background

Medical insurance costs are expected to rise 12% average across the medical insurance plans offered to employees for the 2026-27 plan year. It is proposed to the Board that the School raise the annual Employer contribution allowance to employee medical insurance, currently \$11,000 annually to \$12,000 annually. The expected increase to School medical insurance costs will be as shown below.

It is further proposed to make no changes to Vision or Dental coverage, or to the basic or voluntary Life or to Disability.

The Board will also confirm the amount paid to eligible employees who decline to enroll in medical insurance coverage in the Heartwood plan. This amount has been \$1,000 in the past and has high participation among those waiving medical insurance. This plan will exclude those waiving coverage due to alternative coverage with Covered California, in accordance with IRS rules.

Action

Board is requested to confirm or state new values for Annual School Contribution for medical, vision, and stipend for waiver of benefits. Employees would need to enroll to receive any no-charge benefits, and would need to decline and submit proof of alternate coverage to receive the one-time stipend for waiving medical benefits.

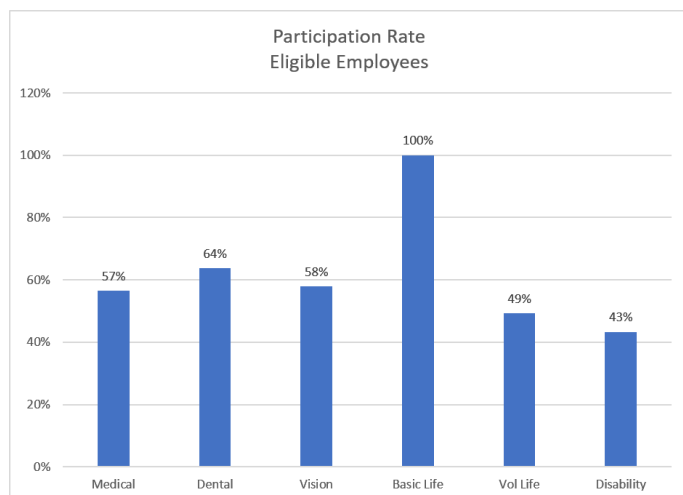
Medical: Approve or change increase allowance from \$11,000 to \$11,500 or \$12,000.

Dental: Approve or change values.

Vision: Approve or change values.

Voluntary Long-Term Disability, Legal ID Theft, Pet Insurance: Approve or decline new direct to employee group insurance offerings (100% employee funded, no charge to school)

	Current School Contribution	Proposed School Contribution	Est Total Cost	Est. Cost Increase
Medical	\$11,000	\$12,000	\$422,120	\$22,300
Dental	50%	50%	\$21,346	\$ -
Vision	0%	0%	\$ -	\$ -
Basic Life	100%	100%	\$6,500	\$ -
Voluntary Life	\$ -	\$ -	\$ -	\$ -
Disability	\$ -	\$ -	\$ -	\$ -
Stipend for Waiver	\$1,000	\$1,000	\$10,000	\$ -





Employee Benefits Insurance Renewal Meeting

Sep 17, 2026

© 2026 ARTHUR J. GALLAGHER & CO. | AJG.COM



Insurance | Risk Management | Consulting



Gallagher

Insurance | Risk Management | Consulting

Agenda

- Marketing Summary
- Executive Summary
- Benefits Review
 - Medical
 - Dental
 - Vision
 - Life/Disability
- Renewal Timeline and Next Steps



Marketing Summary

Medical	Carrier	Quoted	Response
	Anthem	<i>Incumbent</i>	<i>Presented</i>
	Kaiser	<i>Incumbent</i>	<i>Presented</i>
	Sutter Health	<i>Incumbent</i>	<i>Presented</i>

Dental	Carrier	Quoted	Response
	Inshore- Delta Dental	<i>Incumbent</i>	<i>Presented</i>
	Guardian	Quoted	Presented
	Mutual of Omaha	Quoted	Presented

Vision	Carrier	Quoted	Response
	Inshore-VSP	<i>Incumbent</i>	<i>Presented</i>
	Guardian	Quoted	Presented
	Mutual of Omaha	Quoted	Presented

Life/Disability	Carrier	Quoted	Response
	Principal	<i>Incumbent</i>	<i>Presented</i>
	Guardian	Quoted	Presented
	Mutual of Omaha	Quoted	Presented

Pet Insurance	Carrier	Quoted	Response
	United Pet Care	<i>Incumbent</i>	<i>Presented</i>

Legal & ID Theft Protection	Carrier	Quoted	Response
	ID Shield	Quoted	Presented



Gallagher

Insurance | Risk Management | Consulting
 Not recommended -
 downgrade coverage

Executive Summary

Not recommended - not enough
employee advantage

Current/Renewal	EE Count	Current Annual Premiums	Renewal Annual Premiums	Switch Ancillary to Mutual of Omaha	Alternative Renewal Annual Premiums	Downgrade Medical	Alternative Renewal Annual Premiums
Medical				Medical		Medical	
Kaiser Silver HMO C	4	\$57,940	\$64,776	Kaiser Silver HMO C	\$64,776	Kaiser Silver HMO E	\$62,172
Kaiser Gold HMO B	15	\$278,295	\$310,564	Kaiser Gold HMO B	\$310,564	Kaiser Gold HMO F	\$305,876
Kaiser Bronze HMO A	5	\$74,952	\$82,665	Kaiser Bronze HMO A	\$82,665	Kaiser Bronze HMO A	\$82,665
Anthem Gold PPO E	6	\$59,610	\$67,381	Anthem Gold PPO E	\$67,381	Anthem Gold PPO H	\$64,264
Anthem Silver PPO B	4	\$63,951	\$75,042	Anthem Silver PPO B	\$75,042	Anthem Bronze PPO D	\$68,800
Sutter Silver HMO B	4	\$49,577	\$54,155	Sutter Silver HMO B	\$54,155	Sutter Bronze HMO A	\$45,143
Total Annual Premium	38	\$584,326	\$654,582	Total Annual Premium	\$654,582	Total Annual Premium	\$628,919
\$ Difference vs. Current			\$70,256	\$ Difference vs. Current	\$70,256	\$ Difference vs. Current	\$44,593
% Difference vs. Current			12.0%	% Difference vs. Current	12.0%	% Difference vs. Current	7.6%
Dental				Dental		Dental	
Delta Dental \$2000	38	\$45,234	\$45,234	Mutual of Omaha \$2000	\$40,710	Delta Dental \$2000	\$45,234
Total Annual Premium	38	\$45,234	\$45,234	Total Annual Premium	\$40,710	Total Annual Premium	\$45,234
\$ Difference vs. Current			\$0	\$ Difference vs. Current	-\$4,524	\$ Difference vs. Current	\$0
% Difference vs. Current			0.0%	% Difference vs. Current	-10.0%	% Difference vs. Current	0.0%
LADD				LADD		LADD	
Principal Life/AD&D	60	\$6,772	\$6,772	Mutual of Omaha Life/AD&D	\$3,628	Principal Life/AD&D	\$6,772
Total Annual Premium	60	\$6,772	\$6,772	Total Annual Premium	\$3,628	Total Annual Premium	\$6,772
\$ Difference vs. Current			\$0	\$ Difference vs. Current	-\$3,144	\$ Difference vs. Current	\$0
% Difference vs. Current			0.0%	% Difference vs. Current	-46.4%	% Difference vs. Current	0.0%
Benefits Annual Total		\$636,332	\$706,588	Benefits Annual Total	\$698,920	Benefits Annual Total	\$680,925
\$ Difference from Current			\$70,256	\$ Difference from Current	\$62,588	\$ Difference from Current	\$44,593
% Difference from Current			11.0%	% Difference from Current	9.8%	% Difference from Current	7.0%



Medical – Kaiser Silver HMO

Downgrade Not Recommended

	Current		Renewal		Alternative	
	CalChoice Kaiser Silver HMO C 11/1/2025		CalChoice Kaiser Silver HMO C 11/1/2026		CalChoice Kaiser Silver HMO E 11/1/2026	
DEDUCTIBLE						
Individual	HMO:	\$2,500	HMO:	\$2,500	HMO:	\$3,100
Family	HMO:	\$5,000 (embedded)	HMO:	\$5,000 (embedded)	HMO:	\$6,200 (embedded)
OUT-OF-POCKET MAX						
Individual	HMO:	\$8,750 (includes ded)	HMO:	\$8,750 (includes ded)	HMO:	\$9,800 (includes ded)
Family	HMO:	\$17,500 (embedded; includes ded)	HMO:	\$17,500 (embedded; includes ded)	HMO:	\$19,600 (embedded; includes ded)
PHYSICIAN SERVICES						
Office Visits	HMO:	\$55/\$90 (ded waived)	HMO:	\$55/\$90 (ded waived)	HMO:	\$75/\$100 (ded waived)
Preventive Care	HMO:	0% (ded waived)	HMO:	0% (ded waived)	HMO:	0% (ded waived)
Diagnostic Lab/X-Ray	HMO:	\$55/\$90 (ded waived)	HMO:	\$55/\$90 (ded waived)	HMO:	\$45/\$55 after ded
Imaging (CT/PET scans, MRIs)	HMO:	\$300/procedure after ded	HMO:	\$300/procedure after ded	HMO:	\$400 /procedure after ded
Rehabilitation/Habilitation (PT/OT/ST)	HMO:	\$55 (ded waived)	HMO:	\$55 (ded waived)	HMO:	\$75 (ded waived)
Chiropractic Care	HMO:	Not Covered	HMO:	Not Covered	HMO:	\$15 (ded waived; 20 visits per year)
PRESCRIPTION DRUGS						
Pharmacy Deductible	HMO:	\$300/\$600 (Subject to Tiers 2-4)	HMO:	\$300/\$600 (Subject to Tiers 2-4)	HMO:	Combined with Medical ded (Subject to Tiers 2-4)
Tier 1 (Generic Formulary)	HMO:	\$19 (up to 30 day supply)	HMO:	\$19 (up to 30 day supply)	HMO:	\$20 (up to 30 day supply)
Tier 2 (Preferred Brand Formulary)	HMO:	\$85 (up to 30 day supply)	HMO:	\$85 (up to 30 day supply)	HMO:	\$100 (up to 30 day supply)
Tier 3 (Non-Preferred Brand Formulary)	HMO:	\$85; prior auth. required (up to 30 day supply)	HMO:	\$85; prior auth. required (up to 30 day supply)	HMO:	\$100 ; prior auth. required (up to 30 day supply)
Tier 4 (Specialty Drugs)	HMO:	30% up to \$250; prior auth. required (up to 30 day supply)	HMO:	30% up to \$250; prior auth. required (up to 30 day supply)	HMO:	45% up to \$250; prior auth. required (up to 30 day supply)
Mail Order	HMO:	See Formulary Guide	HMO:	See Formulary Guide	HMO:	See Formulary Guide
HOSPITAL FACILITY SERVICES						
Inpatient Hospital Services	HMO:	35% after ded	HMO:	35% after ded	HMO:	45% after ded
Outpatient Surgery in a Hospital	HMO:	35% after ded	HMO:	35% after ded	HMO:	45% after ded
Ambulatory Surgical Center	HMO:	35% after ded	HMO:	35% after ded	HMO:	45% after ded
EMERGENCY SERVICES						
Emergency Room	HMO:	35% after ded	HMO:	35% after ded	HMO:	45% after ded (copay waived if admitted)
Emergency Transport/Ambulance	HMO:	35% after ded	HMO:	35% after ded	HMO:	45% after ded
Urgent Care	HMO:	\$55 (ded waived)	HMO:	\$55 (ded waived)	HMO:	\$75 (ded waived)



Gallagher

Insurance | Risk Management | Consulting

Downgrade not recommended

Medical – Kaiser Gold HMO

	Current CalChoice Kaiser Gold HMO B 11/1/2025		Renewal CalChoice Kaiser Gold HMO B 11/1/2026		Alternative CalChoice Kaiser Gold HMO F 11/1/2026	
DEDUCTIBLE						
Individual	HMO:	\$250	HMO:	\$250	HMO:	\$500
Family	HMO:	\$500 (embedded)	HMO:	\$500 (embedded)	HMO:	\$1,000 (embedded)
OUT-OF-POCKET MAX						
Individual	HMO:	\$7,800 (includes ded)	HMO:	\$7,800 (includes ded)	HMO:	\$8,000 (includes ded)
Family	HMO:	\$15,600 (embedded; includes ded)	HMO:	\$15,600 (embedded; includes ded)	HMO:	\$16,000 (embedded; includes ded)
PHYSICIAN SERVICES						
Office Visits	HMO:	\$35/\$55 (ded waived)	HMO:	\$35/\$55 (ded waived)	HMO:	\$35/\$60 (ded waived)
Preventive Care	HMO:	0% (ded waived)	HMO:	0% (ded waived)	HMO:	0% (ded waived)
Diagnostic Lab/X-Ray	HMO:	\$35/\$55 (ded waived)	HMO:	\$35/\$55 (ded waived)	HMO:	\$35/ \$50 (ded waived)
Imaging (CT/PET scans, MRIs)	HMO:	\$250 after ded	HMO:	\$250 after ded	HMO:	\$350 (ded waived)
Rehabilitation/Habilitation (PT/OT/ST)	HMO:	\$35 (ded waived)	HMO:	\$35 (ded waived)	HMO:	\$35 (ded waived)
Chiropractic Care	HMO:	Not Covered	HMO:	Not Covered	HMO:	\$15 (ded waived, 20 visits per year)
PRESCRIPTION DRUGS						
Pharmacy Deductible	HMO:	None	HMO:	None	HMO:	None
Tier 1 (Generic Formulary)	HMO:	\$15 (up to 30 day supply)	HMO:	\$15 (up to 30 day supply)	HMO:	\$15 (up to 30 day supply)
Tier 2 (Preferred Brand Formulary)	HMO:	\$40 (up to 30 day supply)	HMO:	\$40 (up to 30 day supply)	HMO:	\$50 (up to 30 day supply)
Tier 3 (Non-Preferred Brand Formulary)	HMO:	\$40; prior auth. required (up to 30 day supply)	HMO:	\$40; prior auth. required (up to 30 day supply)	HMO:	\$50 ; prior auth. required (up to 30 day supply)
Tier 4 (Specialty Drugs)	HMO:	20% up to \$250; prior auth. required (up to 30 day supply)	HMO:	20% up to \$250; prior auth. required (up to 30 day supply)	HMO:	20% up to \$250; prior auth. required (up to 30 day supply)
Mail Order	HMO:	See Formulary Guide	HMO:	See Formulary Guide	HMO:	See Formulary Guide
HOSPITAL FACILITY SERVICES						
Inpatient Hospital Services	HMO:	\$600/day after ded, 5 days max	HMO:	\$600/day after ded, 5 days max	HMO:	\$600/day after ded, 5 days max
Outpatient Surgery in a Hospital	HMO:	\$335 after ded	HMO:	\$335 after ded	HMO:	\$350 after ded
Ambulatory Surgical Center	HMO:	\$335 after ded	HMO:	\$335 after ded	HMO:	\$350 after ded
EMERGENCY SERVICES						
Emergency Room	HMO:	\$250 after ded	HMO:	\$250 after ded (copay waived if admitted)	HMO:	\$350 (ded waived; copay waived if admitted)
Emergency Transport/Ambulance	HMO:	\$250/trip after ded	HMO:	\$250/trip after ded	HMO:	\$350 /trip (ded waived)
Urgent Care	HMO:	\$35 (ded waived)	HMO:	\$35 (ded waived)	HMO:	\$35 (ded waived)



Medical – Kaiser Bronze HMO

	Current CalChoice Kaiser Bronze HMO A 11/1/2025		Renewal CalChoice Kaiser Bronze HMO A 11/1/2026	
DEDUCTIBLE				
Individual	HMO:	\$5,800	HMO:	\$5,800
Family	HMO:	\$11,600 (embedded)	HMO:	\$11,600 (embedded)
OUT-OF-POCKET MAX				
Individual	HMO:	\$8,850 (includes ded)	HMO:	\$9,800 (includes ded)
Family	HMO:	\$17,700 (embedded; includes ded)	HMO:	\$19,600 (embedded; includes ded)
PHYSICIAN SERVICES				
Office Visits	HMO:	\$60 (ded waived)/\$95 (First 3 visits ded waived)	HMO:	\$60 (ded waived)/\$95 (First 3 visits ded waived)
Preventive Care	HMO:	0% (ded waived)	HMO:	0% (ded waived)
Diagnostic Lab/X-Ray	HMO:	\$40 (ded waived)/40% after ded	HMO:	\$50 (ded waived)/40% after ded
Imaging (CT/PET scans, MRIs)	HMO:	40% after ded	HMO:	40% after ded
Rehabilitation/Habilitation (PT/OT/ST)	HMO:	\$60 (ded waived)	HMO:	\$60 (ded waived)
Chiropractic Care	HMO:	Not Covered	HMO:	Not Covered
PRESCRIPTION DRUGS				
Pharmacy Deductible	HMO:	\$450/\$900 (Subject to Tiers 2-4)	HMO:	\$450/\$900 (Subject to Tiers 2-4)
Tier 1 (Generic Formulary)	HMO:	\$19 (up to 30 day supply)	HMO:	\$20 (up to 30 day supply)
Tier 2 (Preferred Brand Formulary)	HMO:	40% up to \$500 (up to 30 day supply)	HMO:	40% up to \$500 (up to 30 day supply)
Tier 3 (Non-Preferred Brand Formulary)	HMO:	40% up to \$500 (up to 30 day supply)	HMO:	40% up to \$500 (up to 30 day supply)
Tier 4 (Specialty Drugs)	HMO:	40% up to \$500 (up to 30 day supply)	HMO:	40% up to \$500 (up to 30 day supply)
Mail Order	HMO:	See Formulary Guide	HMO:	See Formulary Guide
HOSPITAL FACILITY SERVICES				
Inpatient Hospital Services	HMO:	40% after ded	HMO:	40% after ded
Outpatient Surgery in a Hospital	HMO:	40% after ded	HMO:	40% after ded
Ambulatory Surgical Center	HMO:	40% after ded	HMO:	40% after ded
EMERGENCY SERVICES				
Emergency Room	HMO:	40% after ded	HMO:	40% after ded
Emergency Transport/Ambulance	HMO:	40% after ded	HMO:	40% after ded
Urgent Care	HMO:	\$60 (ded waived)	HMO:	\$60 (ded waived)



Gallagher

Insurance | Risk Management | Consulting

Downgrade not recommended

	Current CalChoice Anthem Silver PPO B 11/1/2025		Renewal CalChoice Anthem Silver PPO B 11/1/2026		Alternative CalChoice Anthem Bronze PPO D 11/1/2026	
DEDUCTIBLE						
Individual	PPO:	\$1,700	PPO:	\$1,700	PPO:	\$6,000
Family	PPO:	\$3,400 (embedded)	PPO:	\$3,400 (embedded)	PPO:	\$12,000 (embedded)
OUT-OF-POCKET MAX						
Individual	PPO:	\$9,100 (includes ded)	PPO:	\$9,100 (includes ded)	PPO:	\$8,500 (includes ded)
Family	PPO:	\$18,200 (embedded, includes ded)	PPO:	\$18,200 (embedded, includes ded)	PPO:	\$17,000 (embedded; includes ded)
PHYSICIAN SERVICES						
Office Visits	PPO:	\$50/\$95 (ded waived)	PPO:	\$50/\$95 (ded waived)	PPO:	\$65/\$85 after ded
Preventive Care	PPO:	0% (ded waived)	PPO:	0% (ded waived)	PPO:	0% (ded waived)
Diagnostic Lab/X-Ray	PPO:	\$20 (ded waived)	PPO:	\$20 (ded waived)	PPO:	40% after ded
Imaging (CT/PET scans, MRIs)	PPO:	40% after ded	PPO:	40% after ded	PPO:	40% after ded
Rehabilitation/Habilitation (PT/OT/ST)	PPO:	\$50 (ded waived)	PPO:	\$50 (ded waived)	PPO:	40% after ded
Chiropractic Care	PPO:	\$15 (ded waived; 20 visits per benefit period)	PPO:	\$15 (ded waived; 20 visits per benefit period)	PPO:	\$15 (ded waived; 20 visits per benefit period)
PRESCRIPTION DRUGS						
Pharmacy Deductible	PPO:	\$300/\$600 (Subject to Tiers 2-4)	PPO:	\$300/\$600 (Subject to Tiers 2-4)	PPO:	\$650/\$1,300 Ded (2-4)
Tier 1 (Generic Formulary)	PPO:	Level 1: \$15; Level 2: \$20 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$15; Level 2: \$20 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$20 ; Level 2: \$20 (up to 30 day supply; Select Rx)
Tier 2 (Preferred Brand Formulary)	PPO:	Level 1: \$70; Level 2: \$80 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$70; Level 2: \$80 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$90 ; Level 2: \$100 (up to 30 day supply; Select Rx)
Tier 3 (Non-Preferred Brand Formulary)	PPO:	Level 1: \$110; Level 2: \$120 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$110; Level 2: \$120 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$160 ; Level 2: \$170 (up to 30 day supply; Select Rx)
Tier 4 (Specialty Drugs)	PPO:	Level 1: 30%; Level 2: 40% (up to \$250 per Rx; prior auth. required)	PPO:	Level 1: 30%; Level 2: 40% (up to \$250 per Rx; prior auth. required)	PPO:	Level 1: 30%; Level 2: 40% (up to 30 day supply; Select Rx)
Mail Order	PPO:	See Formulary Guide	PPO:	See Formulary Guide	PPO:	See Formulary Guide
HOSPITAL FACILITY SERVICES						
Inpatient Hospital Services	PPO:	40% after ded	PPO:	40% after ded	PPO:	40% after ded
Outpatient Surgery in a Hospital	PPO:	\$250 + 40% after ded	PPO:	\$250 + 40% after ded	PPO:	\$250 + 40% after ded
Ambulatory Surgical Center	PPO:	\$50 + 40% after ded	PPO:	\$50 + 40% after ded	PPO:	\$50 + 40% after ded
EMERGENCY SERVICES						
Emergency Room	PPO:	\$300 + 40% after ded (copay waived if admitted)	PPO:	\$300 + 40% after ded (copay waived if admitted)	PPO:	\$250 + 40% after ded (copay waived if admitted)
Emergency Transport/Ambulance	PPO:	40% after ded	PPO:	40% after ded	PPO:	40% after ded
Urgent Care	PPO:	\$50 (ded waived)	PPO:	\$50 (ded waived)	PPO:	\$65 after ded



Gallagher

Insurance | Risk Management | Consulting

Downgrade not recommended

Medical – Anthem Gold PPO

	Current		Renewal		Alternative	
	CalChoice Anthem Gold PPO E 11/1/2025		CalChoice Anthem Gold PPO E 11/1/2026		CalChoice Anthem Gold PPO H 11/1/2026	
DEDUCTIBLE						
Individual	PPO:	\$500	PPO:	\$500	PPO:	\$1,000
Family	PPO:	\$1,500 (embedded)	PPO:	\$1,500 (embedded)	PPO:	\$3,000 (embedded)
OUT-OF-POCKET MAX						
Individual	PPO:	\$7,700 (includes ded)	PPO:	\$7,700 (includes ded)	PPO:	\$8,200 (includes ded)
Family	PPO:	\$15,400 (embedded; includes ded)	PPO:	\$15,400 (embedded; includes ded)	PPO:	\$16,400 (embedded; includes ded)
PHYSICIAN SERVICES						
Office Visits	PPO:	\$30/\$60 (ded waived)	PPO:	\$30/\$60 (ded waived)	PPO:	\$35/\$60 (ded waived)
Preventive Care	PPO:	0% (ded waived)	PPO:	0% (ded waived)	PPO:	0% (ded waived)
Diagnostic Lab/X-Ray	PPO:	\$15 (ded waived)	PPO:	\$15 (ded waived)	PPO:	\$15 (ded waived)
Imaging (CT/PET scans, MRIs)	PPO:	Office: 20% after ded	PPO:	Office: 20% after ded	PPO:	Office: 20% after ded
Rehabilitation/Habilitation (PT/OT/ST)	PPO:	\$30 (ded waived)	PPO:	\$30 (ded waived)	PPO:	\$35 (ded waived)
Chiropractic Care	PPO:	\$15 (ded waived; 20 visits per benefit period)	PPO:	\$15 (ded waived; 20 visits per benefit period)	PPO:	\$15 (ded waived; 20 visits per benefit period)
PRESCRIPTION DRUGS						
Pharmacy Deductible	PPO:	None	PPO:	None	PPO:	\$300/\$600 (Subject to Tiers 1-4)
Tier 1 (Generic Formulary)	PPO:	Level 1: \$10; Level 2: \$20 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$10; Level 2: \$20 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$5; Level 2: \$15
Tier 2 (Preferred Brand Formulary)	PPO:	Level 1: \$50; Level 2: \$60 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$50; Level 2: \$60 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$60; Level 2: \$70
Tier 3 (Non-Preferred Brand Formulary)	PPO:	Level 1: \$90; Level 2: \$100 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$90; Level 2: \$100 (up to 30 day supply; Select Rx)	PPO:	Level 1: \$110; Level 2: \$120
Tier 4 (Specialty Drugs)	PPO:	Level 1: 30%; Level 2: 40% (up to \$250 per Rx; prior auth. required)	PPO:	Level 1: 30%; Level 2: 40% (up to \$250 per Rx; prior auth. required)	PPO:	Level 1: 30%; Level 2: 40% (up to \$250)
Mail Order	PPO:	See Formulary Guide	PPO:	See Formulary Guide	PPO:	See Formulary Guide
HOSPITAL FACILITY SERVICES						
Inpatient Hospital Services	PPO:	20% after ded	PPO:	20% after ded	PPO:	20% after ded
Outpatient Surgery in a Hospital	PPO:	\$250 + 20% after ded	PPO:	\$250 + 20% after ded	PPO:	\$250 + 20% after ded
Ambulatory Surgical Center	PPO:	\$50 + 20% after ded	PPO:	\$50 + 20% after ded	PPO:	\$50 + 20% after ded
EMERGENCY SERVICES						
Emergency Room	PPO:	\$250 + 20% after ded (copay waived if admitted)	PPO:	\$250 + 20% after ded (copay waived if admitted)	PPO:	\$250 + 20% after ded (copay waived if admitted)
Emergency Transport/Ambulance	PPO:	20% after ded/trip	PPO:	20% after ded/trip	PPO:	20% after ded/trip
Urgent Care	PPO:	\$30 (ded waived)	PPO:	\$30 (ded waived)	PPO:	\$35 (ded waived)



Gallagher

Insurance | Risk Management | Consulting

Downgrade not recommended

	Current CalChoice Sutter Silver HMO B 11/1/2025		Renewal CalChoice Sutter Silver HMO 11/1/2026		Alternative CalChoice Sutter Bronze HMO A 11/1/2026	
DEDUCTIBLE						
Individual	HMO:	\$2,500	HMO:	\$2,500	HMO:	\$5,800
Family	HMO:	\$5,000	HMO:	\$5,000	HMO:	\$11,600
OUT-OF-POCKET MAX						
Individual	HMO:	\$8,750 (includes ded)	HMO:	\$8,750 (includes ded)	HMO:	\$9,800 (includes ded)
Family	HMO:	\$17,500 (includes ded)	HMO:	\$17,500 (includes ded)	HMO:	\$19,600 (includes ded)
PHYSICIAN SERVICES						
Office Visits	HMO:	\$55/\$90 (ded waived)	HMO:	\$55/\$90 (ded waived)	HMO:	\$60 (ded waived)/ \$95 after ded (First 3 visits ded waived)
Preventive Care	HMO:	0% (ded waived)	HMO:	0% (ded waived)	HMO:	0% (ded waived)
Diagnostic Lab/X-Ray	HMO:	\$55/\$90 (ded waived)	HMO:	\$55/\$90 (ded waived)	HMO:	\$50 (ded waived)/ 40% after ded
Imaging (CT/PET scans, MRIs)	HMO:	\$300 after ded	HMO:	\$300 after ded	HMO:	40% after ded
Rehabilitation/Habilitation (PT/OT/ST)	HMO:	\$55 (ded waived)	HMO:	\$55 (ded waived)	HMO:	\$60 (ded waived)
Chiropractic Care	HMO:	Not Covered	HMO:	Not Covered	HMO:	Not Covered
PRESCRIPTION DRUGS						
Pharmacy Deductible	HMO:	\$300/\$600 (Subject to Tiers 2-4)	HMO:	\$300/\$600 (Subject to Tiers 2-4)	HMO:	\$450/\$900 (Subject to Tiers 2-4)
Tier 1 (Generic Formulary)	HMO:	\$19 (up to 30 day supply)	HMO:	\$19 (up to 30 day supply)	HMO:	\$20 (up to 30 day supply)
Tier 2 (Preferred Brand Formulary)	HMO:	\$85 (up to 30 day supply)	HMO:	\$85 (up to 30 day supply)	HMO:	40% up to \$500 (up to 30 day supply)
Tier 3 (Non-Preferred Brand Formulary)	HMO:	\$110 (up to 30 day supply)	HMO:	\$110 (up to 30 day supply)	HMO:	40% up to \$500 (up to 30 day supply)
Tier 4 (Specialty Drugs)	HMO:	30% up to \$250 (up to 30 day supply)	HMO:	30% up to \$250 (up to 30 day supply)	HMO:	40% up to \$500 (up to 30 day supply)
Mail Order	HMO:	See Formulary Guide	HMO:	See Formulary Guide	HMO:	See Formulary Guide
HOSPITAL FACILITY SERVICES						
Inpatient Hospital Services	HMO:	35% after ded	HMO:	35% after ded	HMO:	40% after ded
Outpatient Surgery in a Hospital	HMO:	35% after ded	HMO:	35% after ded	HMO:	40% after ded
Ambulatory Surgical Center	HMO:	35% after ded	HMO:	35% after ded	HMO:	40% after ded
EMERGENCY SERVICES						
Emergency Room	HMO:	35% after ded	HMO:	35% after ded	HMO:	40% after ded
Emergency Transport/Ambulance	HMO:	35% after ded	HMO:	35% after ded	HMO:	40% after ded
Urgent Care	HMO:	\$55 (ded waived)	HMO:	\$55 (ded waived)	HMO:	\$60 (ded waived)



Gallagher

Insurance | Risk Management | Consulting

Dental PPO

Not recommended - narrow network

Not recommended - narrow network

		Current	Renewal	Alternate		Alternate	
		Inshore-Delta Dental \$2000 100/80/50 PPO Dental		Guardian \$2000 100/80/50 PPO Premier Dental		Mutual of Omaha \$2000 100/80/50 PPO Premier Dental	
# EE's	Employee Only	21	\$57.28	\$57.28	\$47.09	\$51.55	
	Employee + One	2	\$103.65	\$103.65	\$96.98	\$93.29	
	Employee + Family	15	\$157.29	\$157.29	\$194.12	\$141.56	
		38					
	Estimated Monthly Premium		\$3,770	\$3,770	\$4,095	\$3,393	
Estimated Annual Premium			\$45,234	\$45,234	\$49,136	\$40,710	
\$ Difference Vs. Current				\$0	\$3,901	-\$8,425	
% Difference Vs. Current				0.0%	8.6%	-17.1%	
Rate Guarantee		1 Year		2 Years		1 Year	
Benefit Summary		In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Calendar Year Deductible (Waived for Preventive?)		Yes	Yes	Yes	Yes	Yes	Yes
Individual		\$50	\$50	\$50	\$50	\$50	\$50
Family		\$150	\$150	\$150	\$150	\$150	\$150
Calendar Year Maximum Per Person		\$2,000		\$2,000 + Maximum Rollover		\$2,000	
Diagnostic & Preventive		0%	0%	0%	0%	0%	0%
Exams							
Cleanings							
X-Rays							
Regular Restorative Services		20%	20%	20%	20%	20%	20%
Fillings, Simple Surgery							
Endodontics (Root Canals)							
Periodontics (Gum Disease)							
Major Services		50%	50%	50%	50%	50%	50%
Crowns							
Bridges and Dentures							
Orthodontics Lifetime Maximum		\$1,500		\$1,500		\$1,500	
Orthodontics - Child Only (until dependent 26th birthday)		50%		50%		50%	
Reimbursement Schedule		Fee Schedule	90th Percentile	Fee Schedule	MAC	Fee Schedule	MAC

Guardian: All rates presented assumes bundled coverage

Mutual of Omaha: All rates presented assumes bundled coverage



Gallagher

Insurance | Risk Management | Consulting

Not recommended

Voluntary Vision

		Current	Renewal	Alternative		Alternative		Alternative	
		InShore VSP Choice A \$15/\$30 Voluntary Vision		InShore VSP Choice C \$10/\$20 Voluntary Vision		Guardian Choice A \$10/\$25 Voluntary Vision		Mutual of Omaha EyeMed Voluntary Vision	
# EE's	Employee Only	14	\$8.55	\$8.55	\$13.28	\$7.97	\$8.00		
	Employee + One	6	\$13.34	\$13.34	\$23.75	\$13.66	\$12.47		
	Employee + Child(ren)	5	\$13.34	\$13.34	\$23.75	\$13.66	\$12.47		
	Employee + Family	22	\$20.87	\$20.87	\$36.50	\$23.89	\$19.51		
		47							
Estimated Monthly Premium		\$726	\$726	\$1,250	\$787	\$808			
Estimated Annual Premium		\$8,707	\$8,707	\$15,002	\$9,449	\$9,699			
\$ Difference Vs. Current			\$0	\$6,295	\$742	-\$5,303			
% Difference Vs. Current			0.0%	72.3%	8.5%	-35.3%			
Rate Guarantee		1 Year		2 Years		2 Years		2 Years	
Benefits Summary		In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Exams									
Vision Exam		\$15 Copay	Reimbursement up to \$45	\$10 Copay	Reimbursement up to \$45	\$10 Copay	Reimbursement up to \$39	\$10 Copay	Reimbursement up to \$37
Lenses									
Single Vision		\$30 Copay	Reimbursement up to \$30	\$20 Copay	Reimbursement up to \$30	\$25 Copay	Reimbursement up to \$23	\$25 Copay	Reimbursement up to \$20
Lined Bifocal		\$30 Copay	Reimbursement up to \$50	\$20 Copay	Reimbursement up to \$50	\$25 Copay	Reimbursement up to \$37	\$25 Copay	Reimbursement up to \$36
Lined Trifocal		\$30 Copay	Reimbursmenet up to \$65	\$20 Copay	Reimbursmenet up to \$65	\$25 Copay	Reimbursmenet up to \$49	\$25 Copay	Reimbursmenet up to \$44
Frames		\$180 Allowance + 20% savings on amount over allowance	Reimbursement up to \$70	\$180 Allowance + 20% savings on amount	Reimbursement up to \$60	\$200 Allowance + 20% savings on amount over allowance	Reimbursement up to \$46	\$200 Allowance + 20% savings on amount over allowance	Reimbursement up to \$79
Contact Lenses (in lieu of glasses)									
Medically necessary		Covered In Full after \$30 Copay	Reimbursement up to \$210	Covered In Full after \$20 Copay	Reimbursement up to \$210	Covered In Full after \$25 Copay	Reimbursement up to \$210	Covered In Full	Reimbursement up to \$210
Elective (disposable)		\$180 Allowance	Reimbursement up to \$105	\$180 Allowance	Reimbursement up to \$105	\$200 Allowance	Reimbursement up to \$100	\$200 Allowance	Reimbursement up to \$136
Frequency - Exam/Lenses/Frames/Contacts		12/24/24		12/12/12		12/24/24		12/12/24	

Guardian: All rates presented assumes bundled coverage

Mutual of Omaha: All rates presented assumes bundled coverage



Basic Life/AD&D

	Current	Renewal	Alternative	Alternative
	Principal		Guardian	Mutual of Omaha
Enrolled Employees	60		60	60
Current volume:	\$5,039,000		\$5,039,000	\$5,039,000
Life rate/1,000:	\$0.092	\$0.092	\$0.070	\$0.040
AD&D rate/1,000:	\$0.020	\$0.020	\$0.020	\$0.020
Estimated Monthly Premium	\$564	\$564	\$454	\$302
Estimated Annual Premium	\$6,772	\$6,772	\$5,442	\$3,628
\$ Difference Vs. Current		\$0	-\$1,330	-\$3,144
% Difference Vs. Current		0.0%	-19.6%	-46.4%
Rate Guarantee	1 Year		2 Years	2 Years

Benefit Summary				
Benefit Amount	1x's Annual Earnings to a maximum of \$200,000		1x's Annual Earnings to a maximum of \$200,000	1x's Annual Earnings to a maximum of \$200,000
Maximum	\$200,000		\$200,000	\$200,000
Guarantee Issue	\$200,000		\$200,000	\$200,000
Age Reduction	Benefits Reduce By: 35% at age 65 50% at age 70		Benefits Reduce By: 35% at age 65 50% at age 70	Benefits Reduce By: 35% at age 70 50% at age 75

Guardian: All rates presented assumes bundled coverage

Mutual of Omaha: All rates presented assumes bundled coverage



Gallagher

Insurance | Risk Management | Consulting

Voluntary Life/AD&D

Requires all offerings to be changed

	Current/Renewal		Current/Renewal		Current/Renewal	
	Principal Voluntary Life/AD&D		Guardian Voluntary Life/AD&D		Mutual of Omaha Voluntary Life/AD&D	
Participation Requirement	Current participation 27 Employees		Greater of 45% or 10 enrolled		Greater of 20% or 5 enrolled	
Coverage Amount (Employee)	\$10,000 increments to a maximum of \$300,000		\$10,000 increments to a maximum of \$300,000		\$10,000 increments to a maximum of \$300,000	
Coverage Amount (Spouse)	\$5,000 increments to a maximum of \$100,000 not to exceed 100% of Employee's amount		\$5,000 increments to a maximum of \$100,000 not to exceed 100% of Employee's amount		\$5,000 increments to a maximum of \$100,000 not to exceed 100% of Employee's amount	
Coverage Amount (Child)	Under 14 days: \$1,000; 14 days and older option of \$2,500, \$5,000 or \$10,000 not to exceed 100% of Employee's amount		Under 14 days: \$1,000; 14 days and older option of \$2,500, \$5,000 or \$10,000 not to exceed 100% of Employee's amount		\$2,000 increment up to a maximum \$10,000 not to exceed 100% of Employee's amount	
Guaranteed Issue	Employee: \$100,000 Spouse: \$20,000 Child: \$10,000		Employee: \$200,000 Spouse: \$50,000 Child: \$10,000		Employee: \$100,000 Spouse: \$20,000 Child: \$10,000	
Rate Guarantee	1 Year		2 Years		2 Years	
Benefit Reduction:	Benefits Reduce By: 35% at 70 55% at 75		Benefits Reduce By: 35% at 70 55% at 75		Benefits Reduce By: 35% at 70 50% at 75	
	Age Band	Monthly Rate per \$1,000 (Employee/Spouse)	Age Band	Monthly Rate per \$1,000 (Employee/Spouse)	Age Band	Monthly Rate per \$1,000 (Employee/Spouse)
	Under 24	\$0.056	Under 24	\$0.056	Under 24	\$0.056
	25-29	\$0.056	25-29	\$0.056	25-29	\$0.056
	30-34	\$0.066	30-34	\$0.056	30-34	\$0.066
	35-39	\$0.106	35-39	\$0.103	35-39	\$0.106
	40-44	\$0.160	40-44	\$0.160	40-44	\$0.160
	45-49	\$0.242	45-49	\$0.242	45-49	\$0.242
	50-54	\$0.397	50-54	\$0.397	50-54	\$0.397
	55-59	\$0.635	55-59	\$0.635	55-59	\$0.635
	60-64	\$0.964	60-64	\$0.964	60-64	\$0.964
	65-69	\$1.636	65-69	\$1.636	65-69	\$1.636
	70+	\$2.943	70+	\$2.943	70+	\$2.943
	Child(ren) Rate:	\$0.200	Child(ren) Rate:	\$0.200	Child(ren) Rate:	\$0.200
	EE/Spouse Optional AD&D:	\$0.020	EE/Spouse Optional AD&D:	\$0.020	EE/Spouse Optional AD&D:	\$0.020

Guardian: All rates presented assumes bundled coverage

Mutual of Omaha: All rates presented assumes bundled coverage



Gallagher

Insurance | Risk Management | Consulting

Voluntary Short Term Disability

	Current	Renewal	Alternate	Alternate
	Principal		Guardian	Mutual of Omaha
	Voluntary Short Term Disability		Voluntary Short Term Disability	Voluntary Short Term Disability
Rate Guarantee	1 Year		2 Years	2 Years
Participation	20 Employees enrolled		Greater of 42% or 10 enrolled employees	Greater of 15% or 10 enrolled
Percentage of Weekly Earnings	20%		20%	20%
Maximum Weekly Benefit	\$1,000		\$1,000	\$1,000
Elimination Period (illness/injury)	8th day		8th day	8th day
Maximum Benefit Duration	12 weeks		12 weeks	12 weeks
Pre-Existing Condition **	3 months prior / 12 months insured		3 months prior / 12 months insured	3 months prior / 12 months insured
Age Band	Rates per \$10 Weekly Indemnity		Rates per \$10 Weekly Indemnity	Rates per \$10 Weekly Indemnity
0-24	\$1.65	\$1.65	\$0.47	\$1.65
25-29	\$2.00	\$2.00	\$0.73	\$2.00
30-34	\$1.62	\$1.62	\$1.62	\$1.62
35-39	\$0.94	\$0.94	\$0.94	\$0.94
40-44	\$0.40	\$0.40	\$0.40	\$0.40
45-49	\$0.23	\$0.23	\$0.23	\$0.23
50-54	\$0.29	\$0.29	\$0.29	\$0.29
55-59	\$0.30	\$0.30	\$0.30	\$0.30
60-64	\$0.39	\$0.39	\$0.75	\$0.39
65-69	\$0.43	\$0.43	\$0.75	\$0.43
70+	\$0.46	\$0.46	\$0.75	\$0.46

Guardian: All rates presented assumes bundled coverage

Mutual of Omaha: All rates presented assumes bundled coverage



Voluntary Long Term Disability

New voluntary offering at group rates

	Proposed Guardian Voluntary LTD	Proposed Mutual of Omaha Voluntary LTD
Participation requirement	Greater of 25% or 10 employees	Greater of 25% or 16 employees
Rate Guarantee	2 Years	2 Years

Benefit Summary		
Percentage of Monthly Earnings	60%	60%
Maximum Monthly Benefit	\$6,000	\$6,000
Elimination Period	90 Days	90 Days
Maximum Benefit Duration	Until SSNRA	Until SSNRA
Own Occupation	2 Years	2 Years
Pre-existing Condition	6 months Prior/12 months insured	12 months Prior/12 months insured
Age Band	Rates per \$100	Rates per \$100
0-24	\$0.036	\$0.060
25-29	\$0.048	\$0.080
30-34	\$0.096	\$0.130
35-39	\$0.168	\$0.160
40-44	\$0.252	\$0.180
45-49	\$0.348	\$0.250
50-54	\$0.468	\$0.360
55-59	\$0.528	\$0.410
60-64	\$0.516	\$0.440
65-69	\$0.516	\$0.460
70+	\$0.516	\$0.480



Legal/ID Theft

New voluntary offering at group rates

	Proposed		
	Legal Shield		
	Legal Shield & ID Shield		
Rates:	Legal Plan	ID Shield (1 Bureau)	Combination Package
Employee only	\$21.95	\$9.95	\$31.90
Employee + Family	\$21.95	\$18.95	\$37.90

Benefit Summary	
Consultation & Advice	Unlimited phone calls and letters
Document Preparation	Covered
Will & Estate Planning	Covered
Family Law	Covered
Debt Matters	Covered
Real Estate Matters	Covered
Traffic & Criminal Matters	Covered
Civil Litigation Defense	Covered
24/7 Emergency Access	Covered
Dedicated Provider Law Firms (Nationwide-Closed Panel-Attorney Network)	Employees call their resident state, Dedicated Provider Law Firm directly and toll free with no gate-keeper. Dedicated Provider Law Firms are pre-paid on a per capita basis for each member in their state and they're paid whether the member uses the services or not. There are no claim forms and no reimbursement forms to fill out.
Identity Theft	Full Service Restoration Privacy Monitoring Security Monitoring (SSN, up to 10 credit cards, up to 10 bank accounts)

Legal Shield: No Participation requirement. **Family Plan:** • The member • The member's spouse/domestic partner
 • Never-married dependent children under age 26 living at home • Dependent children under age 18 for whom the member is legal guardian • Never married, dependent, children who are full-time college students up to age 26 • Physically or mentally disabled children living at home

*Rates based on Direct Bill

Pet Insurance

New voluntary offering at group rates



Gallagher

Insurance | Risk Management | Consulting

	One Pet Two Pets Three Pets Each Additional Pet	Proposed
		United Pet Care (UPC)
		Pet Discount Program
		<u>Rates:</u>
		\$24.50 \$48.00 \$71.50 \$23.50
Benefit Summary		Pet Program
Office Visits		Vets will choose their own savings schedule. The percentage of coverage will vary based on the vet chosen but will range from 20-50%.
Annual Examinations		
Vaccinations		
All Surgeries/Hospitalization		
Dental Cleaning/Extractions		
Diagnostic Testing/Lab Work		
Allergies/Infections		
Radiology		
Medications		
Spay/Neuter		
Puppy/Kitty (under age of 1, series vaccines including rabies - may vary with each facility)		
*My Simple Pet Labs		Members now receive a 25% discount on at-home testing with MySimplePetLabs (MSPL). MSPL is a trusted name in pet testing and was developed by veterinarians to provide accurate and reliable testing options in the comfort of your home. Employees can receive savings on a range of tests, including routine stool, ear infection, and skin & itch testing. Results are available online 24/7 and can conveniently be emailed to their vet. Each test comes with general education and advice on treatment options, without requiring them to visit a vet.
*Pet Prescription Savings		UPC members get access to our NEW pet prescription savings card, which provides discounts of up to 87% off human equivalent pet medications. The card is free to use, no sign-up or subscription fees involved. All employees need to do is download their free card and use it at any of the 67,000 participating pharmacies to get amazing savings on their pet's medication needs.



Renewal Timeline and Next Steps

	Activity	Date Complete	Responsibility
1	Renewal Preparation		
	Identify Goals for Upcoming Plan Year	Completed	Heartwood + Gallagher
	Review Inputs Impacting Renewals	Completed	Heartwood + Gallagher
	Discuss Current Services Provided	Completed	Heartwood + Gallagher
2	Renewals/Claims Data Review		
	Request Renewal & Claims Data from Carriers	Completed	Gallagher
	Receive Renewal & Claims Data from Carriers	Completed	Gallagher
3	RFP		
	Census Update	Completed	Heartwood
	RFP to Marketplace	Completed	Gallagher
	Due Date for Carrier RFP Response	Completed	Gallagher
4	Renewal Proposal & Decisions		
	Develop Renewal Proposal with Carrier Finalists	Completed	Gallagher
	Renewal Proposal Meeting	9/17/2026	Heartwood + Gallagher
	Final Decisions	Week of 9/21	Heartwood
5	Open Enrollment/Renewal Implementation		
	Carrier and Vendor Notification	Week of 9/21	Gallagher
	Open Enrollment Guide Draft	Week of 9/21	Heartwood
	Open Enrollment Guide Approval	Week of 9/21	Heartwood + Gallagher
	Enrollment System Setup/Update	Week of 9/28	Heartwood + Gallagher
	Open Enrollment Meetings/Webinars	10/7-10/16	Heartwood + Gallagher
	Enrollment Submission to Carriers	Week of 10/19	Heartwood + Gallagher
6	New Plan Year		
	SPD Renewal & Update	January	Gallagher



Gallagher

Insurance | Risk Management | Consulting

Appendix



Compensation Disclosure

Heartwood Charter School

Compensation Disclosure

Renewal Effective November 1, 2026

Presented by Gallagher Benefit Services - Pending

Along with the AM Best rating, this exhibit also serves as disclosure of our estimated fees and/or commissions related to Heartwood Charter School's Group Health & Welfare Plan(s) and any relationships or agreements Gallagher Benefit Services, Inc. ("GBS") has with the insurance companies involved in this renewal. GBS, as agent of record, will receive the following estimated commissions expressed as a percentage of gross premium payments, or fees as agreed upon by Heartwood Charter School.

Line of Coverage	Insurance Company	Commission ^{1,2}	AM Best Rating
Voluntarily Life/AD&D, Voluntary STD	Principal Life Insurance Co. (06150)	15%	A+
Voluntary LTD	Principal Life Insurance Co. (06150)	10%	A+
Pet	UPC	10%	
Legal, ID Theft	LegalShield	13%	NR
Basic Life/AD&D, Voluntary Life/AD&D, STD, LTD, Den, Vision	Mutual of Omaha Insurance Co. (07369)	10%	A+
Dental, Vision	Guardian Life Insurance Company of America (06508)	10%	A+
Basic Life/AD&D, Vol Life/AD&D, LTD, STD	Guardian Life Insurance Company of America (06508)	15%	A+
Life/AD&D	Principal Life Insurance Co. (06150)	10%	A+
Medical	CalChoice	5%	
Dental / Vision	Inshore Benefits	8%	

¹ Commissions include all commissions/fees paid to GBS that are attributable to a contract or policy between a plan and an insurance company, or insurance service. This includes indirect fees that are paid to GBS paid by a third party, and includes, among other things, the payment of "finders' fees" or other fees to GBS for a transaction or service involving the plan.

² Gallagher may receive supplemental compensation from insurance carriers and vendors, normally calculated at the end of each calendar year, that are contingent on a number of factors including the overall number of employer plans represented, plan retention rates, and overall premium growth. Historically, supplemental compensation has ranged, on average, between 0-3% based on specific carrier programs. These plans have no effect on premiums. Further, Gallagher may receive non-cash compensation from plan vendors or service providers that are not in connection with any particular client. If you have any questions regarding direct or indirect compensation received by Gallagher, please contact your dedicated Gallagher advisor or refer to the Gallagher Global Standards of Business Conduct.

A.M. BEST Rating Classifications

A++, A+	Superior	B, B-	Fair	X	\$500-750m	XIII	\$1.25-1.5b
A, A-	Excellent	C++, C+	Marginal	XI	\$750m-1b	XIV	\$1.5-2b
B++, B+	Good	C, C-	Weak	XII	\$1-1.25b	XV	\$2b +

The A.M. Best Guide is a resource the insurance industry uses to determine the financial stability of an insurance company. A copy of the Best's Guide report on the insurance companies quoted is available for your review. While we strive to be certain that your insurance is placed with a reputable, highly rated insurance company, we have no way of guaranteeing the financial accuracy of the Best's Guide or the financial stability of any insurance company. For these reasons, we recommend that you take into account the financial stability of all the insurance companies prior to making your selection as to who will write your insurance. For non-health insurance carriers or markets (such as Life, AD&D, STD, LTD, LTC, Universal Life, Term Life, Critical Illness, Cancer, Hospital Indemnity, Sickness, Accident, Mini-Med, Accident, Auto/Home, Legal, and Pet Insurance), the standard measure utilized by GBS to evaluate the financial condition of insurance markets is the ratings and financial size categories assigned by A.M. Best Company, Inc. A.M. Best is the oldest independent rating agency in the world to report on the financial strength of insurance companies.



Disclosure Notices

Heartwood Charter School

Disclosure Notices

Renewal Effective November 1, 2026

Presented by Gallagher Benefit Services - Pending

IMPORTANT: This proposal (analyses, report, etc.) is an outline of the coverages proposed by the carrier(s) based upon the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. See the policies and contracts for actual language. This proposal (analyses, report, etc.) is not a contract and offers no contractual obligation on behalf of GBS. Policy forms for your reference will be made available upon request. This analysis is for illustrative purposes only, and is not a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts

While Gallagher does not guarantee the financial viability of any health insurance carrier or market, it is an area we recommend that clients closely scrutinize when selecting a health insurance carrier. There are a number of rating agencies that can be referred to including, A.M. Best, Fitch, Moody's, Standard & Poor's, and Weiss Ratings (The Street.com). Generally, agencies that provide ratings of Health Insurers, including traditional insurance companies and other managed care organizations, reflect their opinion based on a comprehensive quantitative and qualitative evaluation of a company's financial strength, operating performance and market profile. However, these ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations

This proposal [analysis, report, etc.] is an outline of the coverages proposed by the carrier(s), based on information provided by your company. It does not include all of the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies and contracts themselves must be read for those details. Policy forms for your reference will be made available upon request.

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard

The intent of this analysis is to provide you with general information regarding the status of, and/or potential concerns related to, your current employee benefits environment. It should not be construed as, nor is it intended to provide, legal advice. Laws may be complex and subject to change. This information is based on current interpretation of the law and is not guaranteed. Questions regarding specific issues should be addressed by legal counsel who specializes in this practice area.



Gallagher

Insurance | Risk Management | Consulting

Gallagher Team

NELSON DEBASA

Area Vice President

Phone: (925) 962-6951
Nelson_Debasa@ajg.com

Lead on strategic planning and consulting

Shams Haque

Client Service Manager

Phone: (818) 539-1450
Shams_Haque@ajg.com

Account and market support, HR and administration support, enrollment coordination, employee education, online tools, marketplace strategies, customized communications

Financial modeling (strategies, calculations and analyses), network disruption and analysis, data review, reporting, marketing and negotiations

EMPLOYEE SUPPORT CENTER

Phone: (855) 670-2222
LosAngeles.ESC@ajg.com

Employee and employer contact for carrier problem-solving, service and claims resolution, customer service advocate

MILLIE SAMANIEGO

Director Of Employee Support Center

Phone: (855) 670-2222
Millie_Samaniego@ajg.com

For escalated employee and employer service issues

DEBRA DAVIS

Regional Director Of Compliance And
Area Corporate Counsel

Legal compliance consulting and education

Heartwood Charter School

Board Strategic initiatives 2026-27

September 29, 2026

The Heartwood Board, under their mandate to undertake strategic planning, puts forth the following Strategic Initiatives to improve school results.

1. Financial
 - a. Financial priority is a balanced budget with adequate funding for the Strategic Initiatives
 - b. Balancing priority is employee compensation
 - c. Arrange for financial contingencies against state budget uncertainties
 - d. Align with new legislation
2. Improve academic results
 - a. Consistently produce high quality academic results
 - b. Collect data to confirm academic achievement and effectiveness of program
 - c. Conduct ELA and Math assessment twice per year to gauge longitudinal improvement
 - d. Increase Math CAASPP scores met or exceeded by 10 percentage points
 - e. Increase ELA CAASPP scores met or exceeded by 8 percentage points
 - f. Adequately train and refresh faculty capabilities
3. Increase administrative capability and reliable results
 - a. Follow business processes to create reliable and consistent results.
 - b. Adequately train all administrative staff.
 - c. We need to be dependable partner for our parents and students
4. Increase community communication and engagement
 - a. Maintain positive school climate
 - b. Consistent and timely communication to the parent community
 - c. Uniformly communicate assignments, due dates, expectations so that families are prepared



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

September 09, 2026

Heartwood Charter School
170 Liberty School Rd
Petaluma, CA 94952

Re: Commercial Package, Executive Package, Student Accident Policy
Policy Term: 09/10/2026 to 09/10/2027

Dear Mark:

Attached is our quotation for coverage.

We would like to outline the following notable points for your consideration:

Any entity not named above, may not be an insured entity. This may include partnerships and joint ventures.

- The insurance carrier is Berkley Regional Insurance Company (Commercial Package), Scottsdale Indemnity Company (Directors and Officers).
- The renewal premium is
 - \$28,179, Surcharges: \$60 (Commercial Package).
 - \$10,028.00, (Directors and Officers)
 - \$1,944.8/\$1,050 (Accident)
- Defense costs are limited and included within the policy limits.
- Significant policy exclusions include but are not limited to the following: Refer to attached quote.
- The policy is claims-made and contains the following restrictions and claims reporting requirements:
 1. Retroactive Date: 09/10/2019 (Commercial Package)
 2. Definition of claim:
 3. Incident or Claim Reporting Provision:
 4. Continuity Date or specific dates/limits applicable to the claims made conditions:
 5. Extended Reporting Period Option Details:
 - ERP Premium Amount:
 - ERP Premium Due Date:
 - ERP Length:
 - If client request to purchase ERP is required to be in writing to the carrier.
 - Significant Restrictions to the ERP availability:
- Immediately report all claims to
 - Berkley Regional Insurance Company (Commercial Package).
 -
 -
- Gallagher is responsible for the placement of the following lines of coverage:
Commercial Package, Executive Package, Student Accident

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

coverage or covering other types of exposures, please contact your Gallagher representative. It is recommended that you consider purchasing coverage for the following coverages, which are not included in your insurance program. Cyber Liability, Pollution Liability, Earthquake, Flood, Mechanical Breakdown and Increased building reconstruction costs due to enforcement of local building laws. This proposal of insurance features insurance policies which contain cancellation provisions to refund premium other than on a pro-rata basis for such occurrences including but not limited to non-payment of premium (short rate penalty provisions). At your request, we can detail the terms of such cancellation provisions.

To renew/bind this policy, please refer to the "Client Authorization to Bind Coverage" page attached.

1. Note any changes you desire to be made.
2. Date and sign.
3. Return prior to the effective date of coverage.

We appreciate your business and look forward to working with you in the coming year. Please contact me if you have any questions.

Sincerely,

Danielle Giddens
License #0H32247
Client Service Manager
Gallagher 500 North Brand Blvd, Suite 100, Glendale, CA 91203
D: 818-539-8605
danielle_giddens@ajg.com | www.ajg.com



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
 500 N Brand Blvd | Suite #100
 Glendale, CA 91203

CA License #0D69293
 818-539-2300

Compensation Disclosure Schedule

Client Name: Heartwood Charter School

COVERAGE(S)	CARRIER NAME(S)	WHOLESALE, MGA, OR INTERMEDIARY NAME ¹	EST. ANNUAL PREMIUM ²	GALLAGHER U.S. OWNED WHOLESALE, MGA, OR INTERMEDIARY % AND/OR FEE
Commercial Package	Berkley Regional Insurance Company A+, XV Admitted	N/A	\$28,179, Surcharges: \$60 + TRIA: \$19	N/A
Executive Package	Scottsdale Indemnity Company A, XV Admitted	Risk Placement Services	\$10,028.00	8.5%
Student Accident	United States Fire Insurance Company A+, XV Admitted	Bob McClosky	Base: \$1,944.81 Catastrophic: \$1,050	N/A

¹ We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.

² If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.

Note: When placing business with insurance companies, Gallagher Companies receive commission based on negotiated contractual terms with those carriers. The commission rate is a percentage of the premium excluding taxes and fees. Major lines of coverage, and their typical range of commissions are listed below. If you wish to receive more details on actual compensation paid to Gallagher Companies, please contact your Gallagher representative.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

▪ Accident & Health: 15-25%	▪ Casualty: 14-15%	▪ Package / Business Owners Package: 15-16.8%
▪ Aviation: 14-15%	▪ Commercial Auto: 12.5-15%	▪ Professional Liability: 12-16.5%
▪ All Other Commercial: 10-20%	▪ Inland Marine: 20-22.5%	▪ Property: 15-22%
▪ Bonds/Surety: 30-35%	▪ Ocean Marine: 15-17.5%	▪ Workers Compensation: 8-11%
▪ Builders Risk: 15-18%		

Compensation to Gallagher may also be disclosed in a Client Services Agreement or Consulting Services Agreement.

Include if applicable: Gallagher Companies receive additional compensation from the carrier for services performed on behalf of the carrier which would normally be considered part of the carrier's operating expenses. These services include but are not limited to underwriting, rating and policy issuance.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
 500 N Brand Blvd | Suite #100
 Glendale, CA 91205

CA License #0D69293
 818-539-2300

Important Disclosures

IMPORTANT: The proposal and/or any executive summaries outline certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. The insurance policies themselves must be read to fully understand the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract of insurance. Policy forms will be made available upon request. We make no warranties with respect to policy limits or coverage considerations of the carrier.

If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

TRIPRA is set to expire on December 31, 2027. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2027. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

Where permitted by law, Gallagher may assess a \$100 Agency Bill Administration Fee on all new and renewal policy placements where Gallagher is responsible for collecting client premium and remitting payment to insurance carriers and other third parties. In connection with such billing obligations, Gallagher assumes additional administrative, financial and compliance obligations that introduce significant risks to Gallagher's business. Should you change to direct bill, where available, or premium finance the transaction, you will not incur the Agency Bill Administration Fee.

Terms and Conditions

It is important that we clearly outline the nature of our mutual relationship. The following terms and conditions (these "Terms") govern your relationship with Gallagher unless you have separately entered into a written services agreement with Gallagher relative to the policies and services outlined in this Proposal, in which case that services agreement will govern and control with respect to any conflicts with these Terms. These Terms will become effective upon your execution of the Client Authorization to Bind Coverage (the "CAB") included in this Proposal and shall survive for the duration of your relationship with Gallagher relative to the policies placed pursuant to the CAB or otherwise at your request.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
 500 N Brand Blvd | Suite #100
 Glendale, CA 91203

CA License #0D69293
 818-539-2300

Services

Gallagher will represent and assist you in all discussions and transactions with insurance companies relating to the lines of insurance coverage set forth in the CAB and any other lines of insurance coverage with which you request Gallagher's assistance. Gallagher will consult with you regarding any matters involving these or other coverages for which you have engaged Gallagher. You have the sole discretion for approving any insurance policies placed, as well as all other material decisions involving your risk management, risk transfer and/or loss prevention needs.

Although you are responsible for notifying applicable insurance companies directly in connection with any claims, demands, suits, notices of potential claims or any other matters as required by the terms and conditions of your policies, Gallagher will assist you in determining applicable claim reporting requirements.

Gallagher is not required to provide Services to you if Gallagher reasonably considers that to do so would put Gallagher in breach of, or would expose Gallagher or its affiliates to fines, penalties or sanctions under any laws, regulations, professional rules or, in Gallagher's sole opinion, you have breached a term/the terms of the Policies. In such circumstances, Gallagher will be entitled to terminate its Services with immediate effect. In the event that Gallagher exercises its right to terminate its Services with immediate effect, Gallagher will not be responsible or liable to you for any direct or indirect loss which you or any other party may suffer as a result.

Please be aware that Gallagher is generally restricted from providing broking, claims handling or other services that relate to Cuba and Iran, including due to significant difficulties in processing payments and other commercial and reputational considerations.

Treatment of Information

Gallagher understands the need to protect the confidentiality and security of your confidential and sensitive information and strives to comply with applicable data privacy and security laws. Your confidential and sensitive information will be protected by Gallagher and only used to perform services for you; provided that Gallagher may disclose and transfer your information (including transfers outside the United States in compliance with applicable laws) to our affiliates, agents or vendors that have a need to know such information in connection with the provision of such services (including insurance markets, as necessary, for marketing, quoting, placing and/or servicing insurance coverages). We may also disclose such information as required by applicable data protection laws or the order of any court or tribunal, subject to our providing you with prior notice as permitted by law. The parties agree that confidential information does not include aggregate, anonymized or de-identified data. In addition, we may also utilize your aggregated, anonymized, or de-identified information in connection with benchmarking, risk modeling and other data analytics, service or product improvements, and offerings, and similar business purposes. You further agree we may use your information with artificial intelligence or other automated applications for the purposes of improving or delivering our services to you.

We will (i) implement appropriate administrative, physical and technical safeguards to protect personal information; (ii) timely report security incidents involving personal information to affected parties and/or regulatory bodies; (iii) create and maintain required policies and procedures; and (iv) comply with data subjects' rights, as applicable. To the extent applicable under associated data protection laws, you are a "business" or "controller" and Gallagher is a "service provider" or "data processor." You will ensure that any information provided to Gallagher has been provided with any required notices and that you have obtained all required consents, if any and where required, or are otherwise authorized to transfer all information to Gallagher and enable Gallagher to process the information for the purposes described in this Proposal and as set forth in Gallagher's Privacy Policy



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
 500 N Brand Blvd | Suite #100
 Glendale, CA 91203

CA License #0D69293
 818-539-2300

located at <https://www.ajg.com/privacy-policy/>. Gallagher may update its Privacy Policy from time to time and any updates will be posted to such site.

Dispute Resolution

Gallagher does not expect that it will ever have a formal dispute with any of its clients. However, in the event that one should arise, we should each strive to achieve a fair, expedient and efficient resolution and we'd like to clearly outline the resolution process.

- A. If the parties have a dispute regarding Gallagher's services or the relationship governed by this Proposal ("**Dispute**"), each party agrees to resolve that Dispute by mediation. If mediation fails to resolve the Dispute, you and Gallagher agree to binding arbitration. Each party waives all rights to commence litigation in court to resolve a Dispute, and specifically waives all rights to pursue relief by class action or mass action in court or through arbitration. However, the parties do not waive the ability to seek a court order of injunction in aid of the mediation and arbitration required by these Terms.
- B. The party asserting a Dispute must provide a written notice ("**Notice**") of the claim to the other party and to the American Arbitration Association ("**AAA**") in accordance with its Commercial Arbitration Rules and Mediation Procedures. All Dispute resolutions will take place in Chicago, IL, unless you and Gallagher agree to another location. The parties will equally divide all costs of the mediation and arbitration proceedings and will each pay their own attorneys' fees. All matters will be before a neutral, impartial and disinterested mediator or arbitrator(s) that have at least 20 years' experience in commercial and insurance coverage disputes.
- C. Mediation will occur within sixty (60) days of filing the Notice with the AAA. Mediation results will be reduced to a memorandum of understanding signed by you, Gallagher and the mediator. A Dispute that is not resolved in mediation will commence to binding arbitration. For Disputes in excess of \$500,000, either party may elect to have the Dispute heard by a panel of three (3) arbitrators. The award of the arbitrator(s) must be accompanied by a reasoned opinion prepared and signed by the arbitrator(s). Except as may be required by law, neither you, Gallagher, nor a mediator or arbitrator may disclose the existence, content or results of any Dispute or its dispute resolution proceeding without the prior written consent of both you and Gallagher.

Electronic Delivery

In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that Gallagher may be required to deliver to you (including, but not limited to, insurance policies and endorsements, account statements and all other agreements, forms and communications) in connection with services provided by Gallagher. Electronic delivery of a document to you may be made via electronic mail or by other electronic means, including posting documents to a secure website.

Miscellaneous Terms

Gallagher is engaged to perform services as an independent contractor and not as your employee or agent, and Gallagher will not be operating in a fiduciary capacity.

Where applicable, insurance coverage placements and other services may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, you will be responsible for the payment of the taxes and/or fees, which Gallagher will separately identify on related invoices.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

The Proposal and these Terms are governed by the laws of the State of Illinois, without regard to its conflict of law rules.

If an arbitrator/court of competent jurisdiction determines that any provision of these Terms is void or unenforceable, that provision will be severed, and the arbitrator/court will replace it with a valid and enforceable provision that most closely approximates the original intent, and the remainder of these Terms will remain in effect.

Except to the extent in conflict with a services agreement that you may enter into with Gallagher, these Terms and the remainder of the Proposal constitute the entire agreement between you and Gallagher with respect to the subject matter of the Proposal, and supersede all prior negotiations, agreements and understandings as to such matters.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

Compensation Disclosure

1. Gallagher is primarily compensated from the usual and customary commissions, fees or, where permitted, a combination of both, for brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary based on market conditions and the insurance product placed for the client.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies that provide for additional compensation if certain underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the insurance company, not on an individual policy basis. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. If you do not wish to have your commercial insurance placement included in consideration for additional compensation, contact your producer or service team for an Opt-out form.
3. Gallagher may receive investment income on fiduciary funds temporarily held by them, or from obtaining or generating premium finance quotes, unless prohibited by law.
4. Gallagher may also access or have an ownership interest in other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace some of which may earn and retain customary brokerage commission and fees for their work.

If you have specific questions about any compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

Market Review

We approached the following carriers in an effort to provide the most comprehensive and cost effective insurance program.

Line of Coverage	Insurance Company ** (AM Best Rate/Financial Strength)	Market Response *	Admitted ***
Commercial Package	Berkley Regional Insurance Company A+, XV	Quoted	Admitted
Executive Package	Scottsdale Indemnity Company A, XV	Quoted	Admitted
Student Accident	United States Fire Insurance Company A+, XV	Quoted	Admitted

*If shown as an indication, the actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

**Gallagher companies use AM Best rated insurers and the rating listed above was verified on the date the proposal document was created.

Best's Credit Ratings™ reproduced herein appear under license from AM Best and do not constitute, either expressly or impliedly, an endorsement of Gallagher's service or its recommendations. AM Best is not responsible for transcription errors made in presenting Best's Credit Ratings™. Best's Credit Ratings™ are proprietary and may not be reproduced or distributed without the express written permission of AM Best.

A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. Best's Credit Ratings™ are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings™ and Guide to Best's Credit Ratings, visit the AM Best website at <http://www.ambest.com/ratings/>.

***If coverage placed with a non-admitted carrier, it is doing business in the state as a surplus lines or non-admitted carrier, and is neither subject to the same regulations as an admitted carrier nor do they participate in any state insurance guarantee fund.

Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

**HEARTWOOD CHARTER SCHOOL
CLIENT AUTHORIZATION TO BIND COVERAGE**

After careful consideration of Gallagher's Proposal dated September 09, 2026, you accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	COVERAGE/CARRIER
☐ Accept ☐ Reject	Commercial Package
	Berkley Regional Insurance Company – Premium \$28,179, Surcharges: \$60
☐ Accept ☐ Reject	TRIA: \$19 is included in the premium (If opted)
☐ Accept ☐ Reject	Executive Package:
	Scottsdale Indemnity Company – Premium \$10,028.00
☐ Accept ☐ Reject	Student Accident
	United States Fire Insurance Company – Premium \$1,944.81/\$1,050 plus taxes and fees

Additional Recommended Coverages

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By checking the box(es) below, you are requesting that Gallagher provide you with a Proposal for this coverage. By not requesting a Proposal for this coverage, you assume the risk of any uncovered loss.

- ☐ Cyber Liability
☐ Flood

The above coverage(s) does not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those listed in the Additional Recommended Coverages, please list below:

Other Services to Consider

By checking the box(es) below, you are requesting that Gallagher provide you with additional information for the following services:

- ☐ Gallagher STEP



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

☐ eRiskHub

Coverage Amendments and Notes:

Fee Breakdown:

Agency Bill Administration Fee: \$100

Not Applicable if premium is financed through third-party finance company

By signing below, you are acknowledging that the fee listed above is fully earned and is NOT refundable. The fee is due and payable within thirty (30) days of your execution below. Any placements that require the payment of additional state or federal taxes and/or fees are the client's responsibility.

You further acknowledge and agree that the Proposal, this Client Authorization to Bind Coverage (including this Fee Agreement) reflect your understanding of the services to be provided by Gallagher as they have been discussed with and fully disclosed to you, and the above fee is consistent with your understanding. Any disputes arising out of the Proposal, this Client Authorization to Bind Coverage and/or the performance of services by Gallagher shall be governed by the laws of the State of Illinois.

Exposures and Values

You confirm the payroll, values, schedules, and any other information pertaining to your operations, and submitted to the underwriters, were compiled from information provided by you. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies. You acknowledge it is your responsibility to notify Gallagher of any material change in your operations or exposures.

Additional Terms and Disclosures

Gallagher is not an expert in all aspects of your business. Gallagher's Proposals for insurance are based upon the information concerning your business that was provided to Gallagher by you. Gallagher expects the information you provide is true, correct and complete in all material respects. Gallagher assumes no responsibility to independently investigate the risks that may be facing your business, but rather have relied upon the information you provide to Gallagher in making our insurance Proposals.

Gallagher's liability to you arising from any of Gallagher's acts or omissions will not exceed \$20 million in the aggregate. The parties each will only be liable for actual damages incurred by the other party, and will not be liable for any indirect, special, exemplary, consequential, reliance or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with the Proposal, any of Gallagher's services or your relationship with Gallagher may be brought by either party any later than two (2) years after the accrual of the claim or cause of action.



Insurance | Risk Management | Consulting

Arthur J Gallagher Risk Management Services, LLC
500 N Brand Blvd | Suite #100
Glendale, CA 91203

CA License #0D69293
818-539-2300

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

You have read, understand and agree that the information contained in the Proposal and all documents attached to and incorporated into the Proposal, is correct and has been disclosed to you prior to authorizing Gallagher to bind coverage and/or provide services to you. By signing below, or authorizing Gallagher to bind your insurance coverage through email when allowed, you acknowledge you have reviewed and agree with terms, conditions and disclosures contained in the Proposal.

By: Mark Puccinelli

Print Name (Specify Title)

Heartwood Charter School

Company

Signed by:
Mark Puccinelli

3DE981BE1A13458...
Signature

Date: 9/9/2026



Insurance Quote

Dear: Danielle Giddens, AJG - Glendale

Date: Aug 11, 2026

Attached please find Carrier quotation RPS has secured on your behalf for the below mentioned risk.

Please review the attached and below carefully as coverage described herein may be different from the original application submitted, or prior policy if applicable.

Insured: Heartwood Charter School DBA: Heartwood Charter School
Insured ID: 54492532

RPS Reference #: 8917739C

Mailing Address: 170 Liberty School Road Petaluma, CA 94952

Physical Address: 170 Liberty School Road, Petaluma, CA 94952

Carrier: Scottsdale Indemnity Company / Admitted

AM Best Rating: A XV

Policy Period: 9/10/2026 to 9/10/2027

Coverage: Directors & Officers Liability - Non-Profit

Limit: per Carrier terms attached

Rate: per Carrier terms attached

Policy Premium: \$10,028.00

Fees (fully earned):

Taxes: **Home State:** CA

TOTAL: \$10,028.00

THIS QUOTE INCLUDES TERRORISM COVERAGE. THE INSURED MAY ELECT TO DECLINE TERRORISM COVERAGE FOR A PREMIUM REDUCTION OF 1%.

Commission: 12.5%
Gross Commission: 21%

Minimum Earned Premium:

Conditions/ Subjectivities: per Carrier terms attached
Terms & Conditions are per attached carrier quote

Please note:

- You are responsible for reviewing and explaining the coverage to the client, including any options, available or not from our office. The terms hereon are not fully described and no assumption should be made as to the adequacy of the coverage of the risk to the client.
- You are not an Agent of the insurer, and as such, cannot bind coverage nor make any commitments on behalf of the insurer, nor of us. This policy cannot be assigned to another without the written consent of the insurer or their Agent.
- Insurance companies will not approve binding until all subjectivities (except inspections) have been received and accepted.
- This document is a representation of the Carrier's quotation and is subject to all premiums, limits, terms, conditions

and exclusions as set forth by the carrier.

- If this policy is issued on a non-admitted basis, your office is responsible for completing, collecting and delivery to RPS any required surplus lines forms, taxes and fees from the insured at time of Binding. RPS will remit the applicable taxes and forms to the state. If this policy is subject to the surplus lines laws in your state, you should make every effort to comply with any special provisions and regulations of your state.
- You are responsible for the issuance and review of Certificates of Insurance (COI). COIs cannot amend or alter the terms provided herein.
- At binding, you are responsible for billing and collecting from the Insured the premium and fees quoted and remitting to RPS. Accounts with payments that are overdue and are not received within this time frame are subject to cancellation.
- By binding you commit to any provisions contained hereon, such as Minimum Earned Premiums. There are no flat cancellations allowed.

Please advise in writing if you would like to bind coverage per the attached terms and conditions. Should you have any questions please give us a call. Thank you for the opportunity to work on your business!

Sincerely,
Alex Kant
Area Senior Vice President
Risk Placement Services, Inc. - Chicago
Phone: (312) 803-6351
Email: alex_kant@rpsins.com

**RENEWAL APPLICATION FOR
BUSINESS AND MANAGEMENT (BAM)
INDEMNITY INSURANCE
NON PROFIT ORGANIZATIONS**

NOTICE: THE POLICY FOR WHICH APPLICATION IS MADE, SUBJECT TO ITS TERMS, APPLIES ONLY TO ANY CLAIM MADE AGAINST ANY OF THE INSURED DURING THE POLICY PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS SHALL BE REDUCED AND MAY BE EXHAUSTED BY AMOUNTS INCURRED AS COSTS, CHARGES AND EXPENSES (AS DEFINED IN THE COVERAGE SECTION FOR WHICH APPLICATION IS MADE), AND COSTS, CHARGES AND EXPENSES SHALL BE APPLIED TO THE RETENTIONS.

General Instructions for Completing this Application

1. Please print or type in ink
2. Please read carefully and answer all questions. If a question is not applicable, so state.
3. The Application must be signed by an executive officer.
4. This Application and all exhibits shall be held in confidence.
5. Please read the policy for which application is made (the "Policy") prior to completing this Application.
6. The terms as used herein shall have the meanings as defined in the Policy.

I. General Information

1. Name Of Organization: **Heartwood Charter School**
 Address: **170 Liberty School Road**
 City: **Petaluma**
 State: **California**
 Zip: **94952**
2. Internal Revenue Service Code **501c3 - General Corporations**
3. Nature of Operations **B29 - Educational Institutions and Related Activities - Charter Schools**
4. Has the Organization been in operation longer than three (3) years?
5. Is the Organization involved in any labor/union negotiations or collective bargaining activities? ☐ Yes ☐ No

II. Prior Insurance and Activities Information

1. Describe any current insurance maintained. The Continuity Date below means the policy inception date for which the most recent main form application was attached.

<u>Coverage</u>	<u>Yes</u>	<u>No</u>	<u>Limits</u>	<u>Continuity Date</u>
Employment Practices				
Insured Person And Organization				
Fiduciary				
2. Does the Named Organization carry General Liability Insurance? ☐ Yes ☐ No

III. False Information

NOTICE TO ALASKA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and

subjects such person to criminal and civil penalties.

NOTICE TO ALABAMA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

NOTICE TO ARKANSAS APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO ARIZONA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO CALIFORNIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO CONNECTICUT APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO DELAWARE APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

NOTICE TO GEORGIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO GUAM APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO HAWAII APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO IOWA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of

misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO IDAHO APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO ILLINOIS APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO INDIANA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO KANSAS APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO LOUISIANA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MASSACHUSETTS APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MAINE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

NOTICE TO MICHIGAN APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO MINNESOTA APPLICANTS: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NOTICE TO MISSOURI APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO MISSISSIPPI APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO MONTANA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO NORTH CAROLINA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO NORTH DAKOTA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO NEBRASKA APPLICANTS: Any person who intentionally presents a materially false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

NOTICE TO NEW HAMPSHIRE APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO NEW JERSEY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO NEW MEXICO APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO NEVADA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO NEW YORK APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO OREGON APPLICANTS: Any person who intentionally presents a materially false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO PUERTO RICO APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO RHODE ISLAND APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO SOUTH CAROLINA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO SOUTH DAKOTA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO TENNESSEE APPLICANTS: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

NOTICE TO TEXAS APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO UTAH APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO VIRGINIA APPLICANTS: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

NOTICE TO VERMONT APPLICANTS: Any person who intentionally presents a materially false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

NOTICE TO WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

NOTICE TO WISCONSIN APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO WEST VIRGINIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO WYOMING APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

IV. Other Information

1. The undersigned declares that to the best of his/her knowledge the statements herein are true. Signing of this Application does not bind the undersigned to complete the insurance, but it is agreed that this Application shall be the basis of the contract should a Policy be issued, and this application will be attached to and become a part of such Policy, if issued. Insurer hereby are authorized to make any investigation and inquiry in connection with this Application as they may deem necessary.

- 2. It is warranted that the particulars and statements contained in the Application for the proposed Policy and any materials submitted herewith (which shall be retained on files by Insurer and which shall be deemed attached hereto, asIf physically attached hereto), are the basis for the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
- 3. It is agreed that in the event there is any material change in the answers to the questions contained herein prior to the effective date of the Policy, the applicant will notify Insurer and, at the sole discretion of Insurer, any outstanding quotations may be modified or withdrawn.
- 4. It is agreed that in the event there is any misstatement or untruth in the answers to the questions contained herein, Insurer have the right to exclude from coverage any claim based upon, arising out of or in connection with such misstatement or untruth.

Signature Section

Signed:

Signed by:

Mark Puccinelli

3DE9818E7A7A15438...

(Must Be Signed By an Executive Officer of the Parent Organization)

Name: Mark Puccinelli
(Please Print or Type)

Capacity: President, Governing Board

Insured Organization: Heartwood Charter School

Date: 9/9/2026
(Day) (Month) (Year)

Submitted by: Risk Placement Services-IL
(Agent)

Date:
(Day) (Month) (Year)

For purposes of creating a binding contract of insurance by this application or in determining the rights and obligations under such contract in any court of law, the parties acknowledge that a signature reproduced by either facsimile or photocopy shall be the same force and effect as an original signature and that the original and any such copies shall be deemed on and the same document.

Employment Practices Coverage Information

Is the Named Organization seeking Employment Practices Coverage? If yes, please answer the following questions

☒ Yes ☐ No

1. Total number of employees (full-time and part-time):
Exact number of employees, If over 300. 51 - 75

2. Does the Organization anticipate in the next 12 months, or has the Organization transacted in the last 12 months, any consolidations or layoffs affecting 35% or more of the employees or Volunteers of the Organization? ☐ Yes ☒ No

3. Describe the internal controls the Company maintains Employment Practices.

- a) Does the Named Organization publish and distribute an employee handbook to every employee? ☒ Yes ☐ No
- b) Are there written procedures for handling employee complaints of discrimination or sexual harassment? ☒ Yes ☐ No
- c) Are there written procedures for handling employee grievances or complaints? ☒ Yes ☐ No

Insured Person And Organization Coverage Information

Is the Named Organization seeking Insured Person And Organization Coverage? If yes, please answer the following questions ☒ Yes ☐ No

1. Describe the following financial information of the Named Organization for the most recent fiscal year-end.
 - a) Total Assets: **\$2,000,001 - \$5,000,000**
 - b) Does the Organization have a negative Fund balance?
If yes, please provide complete financials. ☐ Yes ☒ No
2. Number of for-profit subsidiaries the Organization owns: **0 For Profit Subsidiaries**
3. Are the annual revenues for the subsidiaries referenced above greater than \$250,000?
If yes, please provide details. ☐ Yes ☒ No
4. Does the Organization render any professional services for others for a fee or compensation?
If yes, please provide details. ☒ Yes ☐ No

Fiduciary Coverage Information

Is the Named Organization seeking Fiduciary Coverage? If yes, please answer the following questions ☒ Yes ☐ No

1. Does the Organization maintain any employee benefit or pension plan for its employees under the Employee Retirement Income Securities Act of 1974? ☒ Yes ☐ No
2. Are the total plan assets for the plans referenced above greater than \$1,000,000?
If yes, please provide complete details regarding the plans. ☒ Yes ☐ No



Flexible Underwriting for Every Risk

6/12/2026

To: Nicole Davila

From: Annmarie Lubas

Re: Heartwood Charter School

E-Risk Services (Internal), on behalf of Scottsdale Indemnity Company, is pleased to provide the below indication of terms and conditions for coverage on the above captioned. Please note that the limits of liability below are separate Limits of Liability for each of the Coverage Sections.

Any of the below Coverage Sections may be elected in any combination of limits and corresponding premiums, subject to the applicable minimum premium.

Employment Practices (EPL)

(Coverage Highlights)

<u>Limit</u>	<u>Retention</u>	<u>Premium</u>
\$500,000	\$25,000	\$6,075
\$1,000,000	\$25,000	\$8,100

- The E-Risk EPL HELPLINE provides access to unlimited, actionable HR and legal advice. You'll get direct access to experienced and dedicated consulting attorneys with HR backgrounds, state-specific and interactive HR tools including a handbook builder, online training, proactive HR consulting resources, and news and legislative updates. When EPL coverage is bound, to get started, simply log in to erisk.portal.zywave.com for access or contact an E-Risk EPL HELPLINE representative at 1-877-568-6655.
- Third Party EPL is included.

Insured Person And Organization (D&O)

(Coverage Highlights)

<u>Limit</u>	<u>Retention</u>	<u>Premium</u>
\$500,000	\$10,000	\$1,184
\$1,000,000	\$10,000	\$1,578

- E-Risk is now offering an industry first for D&O Risk Management Services to our Insureds. This service provides Insureds access to unlimited, actionable legal advice to help Organization's and their Directors and Officers deal with the complexities of corporate governance, corporate law and compliance while balancing their fiduciary duties. To get started, simply log into www.ERiskMgmtResources.com to access the Online Resource Portal or contact an E-Risk D&O Solutions representative at 877-568-6655.
- Potential policyholder savings by utilizing Zywave - [click here for more information](#).

Fiduciary

(Coverage Highlights)

Limit	Retention	Premium
\$500,000	None - See Note Below	\$263
\$1,000,000	None - See Note Below	\$350

- Note: In the event the EPL coverage section is not purchased, a retention of \$10,000 shall apply.

Endorsements:

(Click on any item below to view the document content)

Click Here to Compare Endorsements From Expiring Policy to Current

1. ILN018 (1-22) > California Fraud Statement Cli
2. EKI-D-8 (2-18) > Declarations Cli
3. HLPEPL (1-18) > E-Risk Management Tools Center-EPL Cli
4. HLIPO (1-18) > E-Risk Management Tools Center-IPO Cli
5. NOTI0658-EK (09-23) > Notice to Policyholders-Address Change Cli
6. NOTX0015CA (3-19) > California Policyholder Notice Cli
7. EKI-326 (04/08) > General Terms and Conditions Cli
8. EKI-P-7 (04/08) > Employment Practices Coverage Section Cli
9. EKI-P-8 (04/08) > Insured Person and Organization Coverage Section Cli
10. EKI-P-9 (04/08) > Fiduciary Coverage Section Cli
11. EKI-93 (04/08) > Add Definition of Insured Person - IPO Coverage Section Cli
12. EKI-98 (04/08) > Additional Parent Organization Cli
13. EKI-99 (04/08) > Advisory Board Extension - IPO Cli
14. EKI-804 (01/09) > Allocation Provision (Non Profit) Cli
15. EKI-1588 (2-15) > Amend Conduct Exclusion - IPO Cli
16. EKI-1638-CA (7-16) > Amend Conduct Exclusion-Foreign Jurisdiction-California - IPO Cli
17. EKI-888 (12/09) > Amend Definition of Insured Person-Leased/Contracted Employees - IPO Coverage Section Cli
18. EKI-1651 (10-16) > Amend Definition of Third Party Endorsement - EPL Cli
19. EKI-803(01/09) > Amend Discovery Election - 90 Days Cli
20. EKI-255 (08/09) > Amend Insured Versus Insured Exclusion (Non-Profit) - IPO Coverage Section Cli
21. EKI-1142 (11/12) > Amend Notice of Circumstances - EPL Coverage Section Cli
22. EKI-1143 (11/12) > Amend Notice of Circumstances - IPO Coverage Section Cli
23. EKI-264 (04/08) > Amend Notice Provision-Charter School Program-EPL (Non-Profit) - EPL Coverage Section Cli
24. EKI-265 (04/08) > Amend Notice Provision - Charter School Program (Non-Profit) - IPO Coverage Section Cli
25. EKI-266 (04/08) > Amend Notice Provision - (Non-Profit) - EPL Coverage Section Cli
26. EKI-267 (04/08) > Amend Notice Provision (Non-Profit) - IPO Coverage Section Cli
27. EKI-1018 (1-12) > Amend Notice Provision 60 Days - (Non-Profit) - EPL Coverage Section Cli
28. EKI-1109 (6-12) > Amend Other Insurance to be Primary - IPO - IPO Coverage Section Cli
29. EKI-805 (01/09) > Amend Subrogation Provision - Final Judgment Cli
30. EKI-261 (04/09) > Amend Warranty Provision Non-Rescindable Coverage (Non-Profit) Cli
31. EKI-882-CA (11/09) > Amendatory Endorsement - California (Non-Profit) Cli
32. EKI-2130 (1-19) > Amended Insured Persons Versus Organization - IPO Cli
33. EKI-814 (05/09) > Amended Insured Versus Insured Exclusion - Foreign Jurisdiction - IPO Coverage Section Cli
34. EKI-930 (02/11) > Amended Insured Versus Insured Exclusion Whistleblower Carveback - IPO Coverage Section Cli
35. EKI-806 (01/09) > Amended Insured Versus Insured Exclusion with Creditor Committee Carveback - IPO Coverage Section Cli
36. EKI-351 (1-15) > Cap on Losses from Certified Acts of Terrorism Cli
37. EKI-807 (04/09) > Cost Of Investigations Coverage (Non-Profit) - IPO Coverage Section Cli
38. EKI-269 (5-18) > Crisis Fund for Non-Profits - Crisis Communications Management Insurance (Non-Profit) \$10k Crisis Fund- IPO Cli
39. EKI-1539 (02/14) > Employed Lawyers Extension - IPO Coverage Section Cli
40. EKI-1128 (09/12) > Employee Privacy Coverage with Sub-Limit (Non-Profit) - EPL Coverage Section Cli
41. EKI-104 (04/08) > Excess Benefit Transaction Excise Tax Coverage Endorsement - IPO Cli
42. EKI-869 (08/09) > Immigration Claim Endorsement (Non-Profit) - \$100,000 Sub-Limit - EPL Coverage Section Cli
43. EKI-256 (04/08) > Molestation Exclusion (Non-Profit) - EPL Coverage Section Cli
44. EKI-114 (04/08) > Named Entity Claims Exclusion (Non-Profit) - IPO Cli
45. EKI-115 (04/08) > Named Entity Claims Exclusion -(Non-Profit) - EPL Cli
46. EKI-355 (06/08) > Outside Entity Coverage for Non-Profit Companies - IPO Coverage Section Cli

- 47. EKI-238 (04/08) > Priority of Payments Provision (Non-Profit) - IPO Coverage Section Cli
- 48. EKI-121 (04/08) > Professional Services Errors and Omissions Exclusions - IPO Coverage Section Cli
- 49. EKI-124 (04/08) > Removal of Alternative Dispute Resolution Provision Cli
- 50. EKI-110 (04/08) > Sexual Misconduct, Child Abuse, Neglect Exclusion (Non-Profit) - IPO Cli
- 51. EKI-848 (05/09) > State Amendatory Inconsistent Cli
- 52. EKI-802 (01/09) > Tolling or Waiving the Statute of Limitations - IPO Coverage Section Cli
- 53. EKI-1580 (2-15) > Voluntary Compliance Program Extension - FID Cli
- 54. EKI-1607 (5-15) > Wage and Hour Claim Endorsement - Non-Profit - \$100,000 Sub-Limit - EPL Coverage Section Cli
- 55. NOTI0601CW (12/20) > Policyholder Disclosure Notice of Terrorism Insurance Coverage Cli

Subject to Information:

- 1. Completed, signed & dated Erisk application

Discovery Period:

- 365 days (1 year) at 30% additional premium
- 730 days (2 years) at 75% additional premium
- 1,095 days (3 years) at 100% additional premium

Run Off Options:

- 1 Year at 150% additional premium
- 2 Years at 200% additional premium
- 3 Years at 215% additional premium
- 4 Years at 217% additional premium
- 5 Years at 220% additional premium
- 6 Years at 225% additional premium

Indication Expiration Date: 7/12/2026, 30 days from the date of this letter.

Notes:

- The Terrorism Risk Insurance Act (TRIA) of 2002 applies to the Businessowners and Commercial General Liability coverage sections or policies. The premium for certified acts of terrorism coverage under TRIA is \$100 for these coverages, but is not included in the premium stated above. You may decline to purchase terrorism coverage for certified acts of terrorism, however, you will have no coverage for losses resulting from certified acts of terrorism. If you decline the coverage, the premium will remain as quoted for the applicable coverages listed here.
- The Terrorism Risk Insurance Act (TRIA) of 2002 applies to the following coverage sections: Employment Practices, Directors and Officers and Company, Management Insureds and Company, Insured Person and Organization, Cyber, Media and Technology Security Services, Company Direct Expenses and Cyber and Professional services. The premium for certified acts of terrorism coverage under TRIA is 1% and is included in the premium stated above for the applicable coverage sections listed here. You may decline to purchase terrorism coverage for certified acts of terrorism, however, you will have no coverage for losses resulting from certified acts of terrorism. If you decline the coverage a 1% premium reduction will apply, but only for the applicable coverage sections listed here.
- This indication of terms and conditions for coverage is subject to modification or withdrawal if, after 6/12/2026 and before the inception date of coverage, Scottsdale Indemnity Company or any of its representatives, including E-Risk Services, LLC, becomes aware of any new, corrected or updated information relating to any Claim or other risk exposure which may affect or change the underwriting evaluation of any proposed Insured and Scottsdale Indemnity Company or E-Risk Services, LLC, in their sole discretion, determines that the terms of this indication of terms and conditions for coverage are no longer appropriate.

Thank you for considering E-Risk Services for your insurance needs. If you have any questions regarding this indication or coverage, please feel free to call me.

Sincerely,

Annmarie Lubas

alubas@ERiskServices.com

**100 Enterprise Drive
Suite 600
Rockaway, NJ 07866
Telephone: (800)-689-2550 / (973)-252-5141
Fax: (800)-689-2839 / (973)-252-5146
www.ERiskServices.com**

Our Commitment to Online Accessibility

CALIFORNIA FRAUD STATEMENT

For your protection, California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Underwritten by:
Home Office: One Nationwide Plaza • Columbus, Ohio 43215
Administrative Office: 8877 North Gainey Center Drive • Scottsdale, Arizona 85258
1-800-423-7675 • A Stock Company

**BUSINESS AND MANAGEMENT INDEMNITY POLICY
NON-PROFIT ORGANIZATIONS DECLARATIONS**

THE LIABILITY COVERAGE SECTIONS OF THIS POLICY, OTHER THAN GENERAL LIABILITY, WHICHEVER ARE APPLICABLE, COVER ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR, IF ELECTED, THE DISCOVERY PERIOD AND REPORTED TO THE INSURER PURSUANT TO THE TERMS OF THE RELEVANT COVERAGE SECTION.

THE LIMITS OF LIABILITY AVAILABLE TO PAY INSURED LOSS SHALL NOT BE REDUCED BY AMOUNTS INCURRED FOR COSTS, CHARGES AND EXPENSES. AMOUNTS INCURRED FOR COSTS, CHARGES AND EXPENSES AND LOSS SHALL ALSO BE APPLIED AGAINST THE RETENTION AMOUNTS.

TERMS THAT APPEAR IN BOLDFACE TYPE HAVE SPECIAL MEANING. PLEASE REFER TO THE APPROPRIATE DEFINITIONS SECTIONS OF THIS POLICY.

An **Error** occurred while creating the

Policy No.:

Agent No.: content in Item1_A subroutine

Principal Address, if different from mailing address:	
Item 2. Policy Period: From to 12:01 A.M. local time at Principal Address shown above.	
Item 3. Coverage Section(s) and Limit of Liability	
Item 4. Premium: <u>\$0</u>	
Item 5. Discovery Period options: 1. One (1) year = <u>30%</u> of the premium 2. Two (2) years = <u>75%</u> of the premium 3. Three (3) years = <u>100%</u> of the premium As provided in Section H. of the General Terms and Conditions, only one of the above Discovery Period options may be elected and purchased.	
Item 6. Run-Off Period: 1. One (1) year = <u>150%</u> of the premium 2. Two (2) years = <u>200%</u> of the premium 3. Three (3) years = <u>215%</u> of the premium 4. Four (4) years = <u>217%</u> of the premium 5. Five (5) years = <u>220%</u> of the premium 6. Six (6) years = <u>225%</u> of the premium As provided in Section I. of the General Terms and Conditions, only one of the above Run-Off Period options may be elected and purchased.	
Item 7. ILN018 (1-22), EKI-D-8 (2-18), HLPEPL (1-18), HLP IPO (1-18), NOTI0658-EK (09-23), NOTX0015CA (3-19), EKI-326 (04/08), EKI-P-7 (04/08), EKI-P-8 (04/08), EKI-P-9 (04/08), EKI-93 (04/08), EKI-98 (04/08), EKI-99 (04/08), EKI-804 (01/09), EKI-1588 (2-15), EKI-1638-CA (7-16), EKI-888 (12/09), EKI-1651 (10-16), EKI-803(01/09), EKI-255 (08/09), EKI-1142 (11/12), EKI-1143 (11/12), EKI-264 (04/08), EKI-265 (04/08), EKI-266 (04/08), EKI-267 (04/08), EKI-1018 (1-12), EKI-1109 (6-12), EKI-805 (01/09), EKI-261 (04/09), EKI-882-CA (11/09), EKI-2130 (1-19), EKI-814 (05/09), EKI-930 (02/11), EKI-806 (01/09), EKI-351 (1-15), EKI-807 (04/09), EKI-269 (5-18), EKI-1539 (02/14), EKI-1128 (09/12), EKI-104 (04/08), EKI-869 (08/09), EKI-256 (04/08), EKI-114 (04/08), EKI-115 (04/08), EKI-355 (06/08), EKI-238 (04/08), EKI-121 (04/08), EKI-124 (04/08), EKI-110 (04/08), EKI-848 (05/09), EKI-802 (01/09), EKI-1580 (2-15), EKI-1607 (5-15), NOTI0601CW (12/20)	
Item 8. Notices to Company: <u>Notice of Claims to:</u> Nationwide Managagement Liability & Specialty Attention: Claims Manager <u>Other Notices:</u> Nationwide Managagement Liability & Specialty Attention: Claims Manager	

7 World Trade Center, 37th Floor
250 Greenwich Street
New York, NY 10007-0033
mlsreportaloss@nationwide.com

7 World Trade Center, 37th Floor
250 Greenwich Street
New York, NY 10007-0033
mlsreportaloss@nationwide.com

These Declarations, together with the **Application, Coverage Sections**, General Terms and Conditions, and any written endorsement(s) attached thereto, shall constitute the contract between the **Insured** and the **Insurer**.



Underwritten by: Scottsdale Indemnity Company
Home Office: One Nationwide Plaza • Columbus, Ohio 43215
Administrative Office: 8877 North Gainey Center Drive • Scottsdale, Arizona 85258
1-800-423-7675 • A Stock Company

In Witness Whereof, the Company has caused this policy to be executed and attested.

A handwritten signature in cursive script, appearing to read 'Robert W. Hornum'.

Secretary

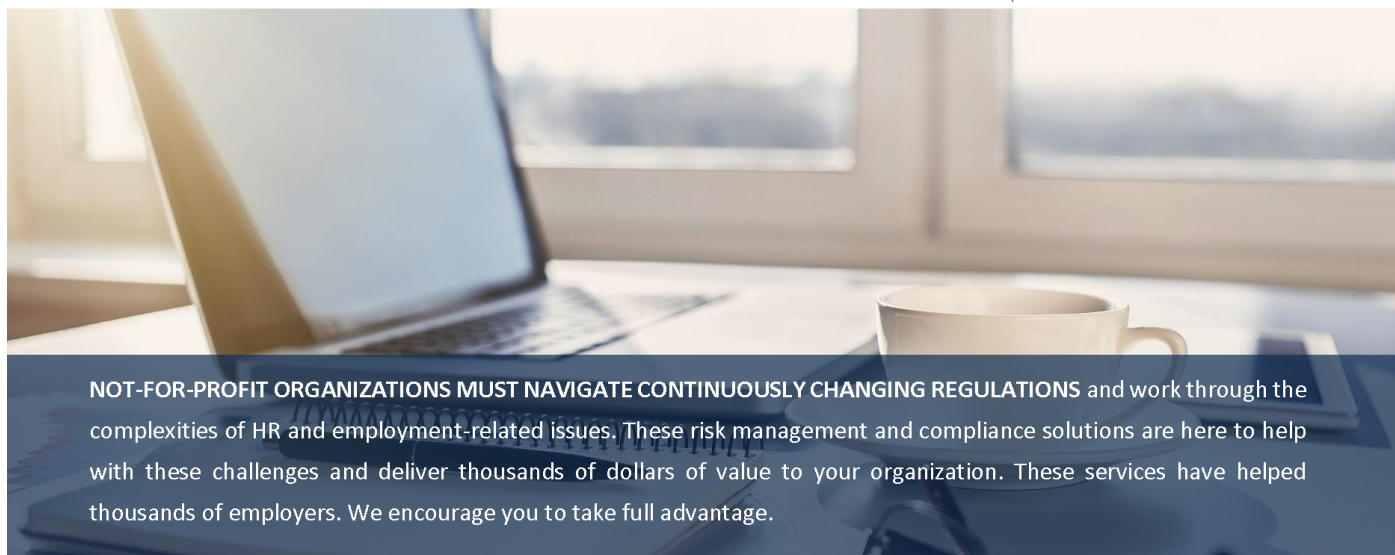
A handwritten signature in cursive script, appearing to read 'John A. ...'.

President

The information contained herein replaces any similar information contained elsewhere in the policy.

E-RISK MANAGEMENT TOOLS CENTER

E-RISK SERVICES MANAGEMENT RESOURCES



NOT-FOR-PROFIT ORGANIZATIONS MUST NAVIGATE CONTINUOUSLY CHANGING REGULATIONS and work through the complexities of HR and employment-related issues. These risk management and compliance solutions are here to help with these challenges and deliver thousands of dollars of value to your organization. These services have helped thousands of employers. We encourage you to take full advantage.

UNLIMITED ANSWERS
TO YOUR HR AND
EMPLOYMENT-RELATED
QUESTIONS



ONLINE TRAINING
INCLUDING EMPLOYEE
AND SUPERVISOR
SEXUAL HARASSMENT
PREVENTION



BEST PRACTICE GUIDES,
FORMS, POSTERS,
POLICIES AND MORE

THOUSANDS OF DOLLARS
IN ANNUAL VALUE

HOW DOES THE E-RISK SERVICES MANAGEMENT RESOURCES PROGRAM WORK?

- + Resources that address key employment related HR issues
- + A state-specific employee handbook and policy builder
- + Live and on-demand access to topical webinars, some including HRCI credits for HR professionals
- + Direct access to HR professionals to receive confidential, documented responses to specific questions
- + Online tools including forms, posters, policies, best practice guides and more

Not-For-Profit Insureds can experience
this EPL value by registering
a valid policy number
and billing ZIP code.
[Get started today.](#)

Questions about your access?
Contact Zywave Support
and mention you're an
E-Risk policyholder.
866-499-9283

E-RISK MANAGEMENT TOOLS CENTER

E-RISK SERVICES MANAGEMENT RESOURCES



DECISIONS MADE BY DIRECTORS & OFFICERS FACE SIGNIFICANT SCRUTINY. As such, Directors & Officers can be targets for legal actions from shareholders, employees, investors and even governmental entities. E-Risk Services Management Resources program is here to help with these challenges and deliver thousands of dollars of value to your organization. These services have helped thousands of not-for-profit employers. We encourage you to take full advantage.

UNLIMITED, SPECIFIC,
DOCUMENTED, AND
CONFIDENTIAL ADVICE
FROM EXPERIENCED D&O
ATTORNEYS



ONLINE TRAINING
COURSES FOCUSED ON
INFORMATION
DIRECTORS AND OFFICERS
NEED TO KNOW



ONLINE TOOLS INCLUDE
BEST PRACTICE
GUIDELINES, CHECKLISTS,
NEWS AND MORE

THOUSANDS OF DOLLARS
IN ANNUAL VALUE

HOW DOES THE E-RISK SERVICES MANAGEMENT RESOURCES PROGRAM WORK?

- + Direct access to D&O attorneys to receive confidential, documented responses to specific questions
- + Live and on-demand access to topical webinars, some including HRCI credits for HR professionals
- + Online risk management tools including D&O-focused training modules
- + Proactive regulatory updates based on each user's selected preferences
- + A state-specific employee handbook and policy builder

Not-For-Profit Insureds can experience
this D&O value by registering
a valid policy number
and billing ZIP code.

[Get started today.](#)

Questions about your access?
Contact Zywave Support
and mention you're an
E-Risk policyholder.

866-499-9283

NOTICE TO POLICYHOLDERS-ADDRESS CHANGE

Effective January 1, 2023, the address of your insurance company is changing.

The physical address of:

- 7 World Trade Center, 37th Floor, 250 Greenwich Street, New York NY 10007-0033
- One Nationwide Plaza, Columbus, Ohio 43215
- 8877 North Gainey Center Drive, Scottsdale, Arizona 85258

wherever they appear, is changed to:

Home Office
One West Nationwide Boulevard
Columbus, Ohio 43215

Administrative Office
18700 North Hayden Road
Scottsdale, Arizona 85255

The claims/notices address of 7 World Trade Center, 37th Floor, 250 Greenwich Street, New York NY 10007-0033, wherever it appears, is changed to:

PO Box 182452
Columbus, Ohio 43218-2452

CALIFORNIA POLICYHOLDER NOTICE

IMPORTANT INFORMATION FOR CALIFORNIA POLICYHOLDERS

In the event you need to contact someone about this policy for any reason, please contact your agent first. If you have additional questions, you may contact the insurance company issuing this policy at the following address and telephone number:

8877 North Gainey Center Drive
Scottsdale, Arizona 85258
Telephone: 1-800-423-7675

If you have been unable to contact or obtain satisfaction from the company or agent, you may contact the California Insurance Department at:

California Department of Insurance
Consumer Affairs Unit
300 South Spring Street, 9th Floor, South Tower
Los Angeles, California 90013
Telephone: 1-800-927-4357 or 213-897-8921 (out of state)
www.insurance.ca.gov

When contacting your agent, company or the Insurance Department, please have your policy number available.

Underwritten by Scottsdale Indemnity Company

A Stock Insurance Company, herein called the **Insurer**

BUSINESS AND MANAGEMENT INDEMNITY POLICY - NON-PROFIT ORGANIZATIONS

GENERAL TERMS AND CONDITIONS

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, and terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows.

A. SEVERABILITY OF GENERAL TERMS AND CONDITIONS

These General Terms and Conditions apply to each and every Coverage Section of this **Policy**. The terms and conditions of each Coverage Section apply only to that Coverage Section and shall not be construed to apply to any other Coverage Section.

B. DEFINITIONS

Whenever used in this **Policy**, the terms that appear below in **boldface** type shall have the meanings set forth in this Definitions subsection of the General Terms and Conditions. However, if a term also appears in **boldface** type in a particular Coverage Section and is defined in that Coverage Section, that definition shall apply for purposes of that particular Coverage Section. Terms that appear in **boldface** in the General Terms and Conditions but are not defined in this Definitions subsection and are defined in other Coverage Sections of the **Policy** shall have the meanings ascribed to them in those Coverage Sections.

1. **Additional Insured Person Discovery Period** means any time after the effective date the **Parent Organization** cancels or elects to not renew the **Policy** which may be applicable pursuant to Section J. below.
2. **Application** means all applications, including any attachments thereto, and all other information and materials submitted by or on behalf of the **Insureds** to the **Insurer** in connection with the **Insurer** underwriting this **Policy** or any policy of which this **Policy** is a renewal or replacement. All such applications, attachments, information, materials and documents are deemed attached to and incorporated into this **Policy**.
3. **Discovery Period** means one of the periods described in Item 5. of the Declarations which is elected and purchased pursuant to Section H. below.
4. **Domestic Partner** means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Organization**.
5. **Extended Period** means the **Discovery Period**, **Run-Off Period**, or **Additional Insured Person Discovery Period**, if such provision is applicable pursuant to Section J. or is elected and purchased pursuant to Sections H. or I., respectively, below.
6. **Insurer** means the insurance company providing this insurance.
7. **Organization** means:
 - a. the **Parent Organization**; and
 - b. any **Subsidiary**,and includes any such organization as a debtor-in-possession or the bankruptcy estate of such entity under United States bankruptcy law or an equivalent status under the law of any other jurisdiction.
8. **Parent Organization** means the entity first named in Item 1. of the Declarations.
9. **Policy** means, collectively, the Declarations, the **Application**, this policy form and any endorsements.

10. **Policy Period** means the period from the effective date and hour of the inception of this **Policy** to the **Policy** expiration date and hour as set forth in Item 2. of the Declarations, or its earlier cancellation date and hour, if any.
11. **Run-Off Period** means one of the periods described in Item 6. of the Declarations, which is elected and purchased pursuant to Section I. below.
12. **Subsidiary** means any entity of which more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to vote for the election of such entity's directors or managers are owned or controlled by the **Parent Organization**, directly or indirectly, if such entity:
 - a. was so owned on or prior to the inception date of this **Policy**; or
 - b. becomes so owned after the inception date of this **Policy**.
13. **Takeover** means:
 - a. the acquisition by any person or entity of more than fifty percent (50%) of the voting rights of the **Parent Organization** representing the present right to vote for the election of directors or trustees; or
 - b. the merger or consolidation of the **Parent Organization** into another entity such that the **Parent Organization** is not the surviving entity;

All definitions shall apply equally to the singular and plural forms of the respective words.

C. LIMITS OF LIABILITY AND RETENTIONS

1. The Limits of Liability and Retentions for each Coverage Section are separate Limits of Liability and Retentions pertaining only to the Coverage Section for which they are shown. The application of a Retention to **Loss** under one Coverage Section shall not reduce the Retention under any other Coverage Section, and no reduction in the Limit of Liability applicable to one Coverage Section shall reduce the Limit of Liability under any other Coverage Section.
2. In the event that any **Claim** is covered, in whole or in part, under more than one Coverage Section, the total applicable Retention shall not exceed the single largest applicable Retention. The largest applicable Retention shall apply only once to such **Claim**.

D. WARRANTY

It is warranted that the particulars and statements contained in the **Application** are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy** and each Coverage Section.

By acceptance of this **Policy**, the **Insureds** agree that:

1. the statements in the **Application** are their representations, that such representations shall be deemed material to the acceptance of the risk or the hazard assumed by **Insurer** under this **Policy**, and that this **Policy** and each Coverage Section are issued in reliance upon the truth of such representations; and
2. in the event the **Application**, including materials submitted or required to be submitted therewith, contains any misrepresentation or omission made with the intent to deceive, or contains any misrepresentation or omission which materially affects either the acceptance of the risk or the hazard assumed by **Insurer** under this **Policy**, this **Policy**, including each and all Coverage Sections, shall be void ab initio with respect to any **Insureds** who had knowledge of such misrepresentation or omission.

E. CANCELLATION

1. By acceptance of this **Policy**, the **Insureds** hereby confer to the **Parent Organization** the exclusive power and authority to cancel this **Policy** on their behalf. The **Parent Organization** may cancel this **Policy** in its entirety or any of the applicable Coverage Sections individually by surrender thereof to the **Insurer**, or by mailing written notice to the **Insurer** stating when thereafter such cancellation shall be effective. The mailing of such notice shall be sufficient notice and the effective date of cancellation shall be the date the **Insurer** received such notice or any later date specified in the notice, and such effective date shall become the end of the **Policy** or applicable Coverage Section.

Delivery of such written notice shall be equivalent to mailing.

2. This **Policy** may be cancelled by the **Insurer** only for nonpayment of premium, by mailing written notice to the **Parent Organization** stating when such cancellation shall be effective, such date to be not less than ten (10) days from the date of the written notice. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice by the **Insurer** shall be equivalent to mailing. If the foregoing notice period is in conflict with any governing law or regulation, then the notice period shall be deemed to be the minimum notice period permitted under the governing law or regulation.
3. If this **Policy** or any Coverage Section is cancelled, the **Insurer** shall retain the pro rata proportion of the premium therefore. Payment or tender of any unearned premium by **Insurer** shall not be a condition precedent to the effectiveness of cancellation.

F. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

The estates, heirs, legal representatives, assigns, spouses and **Domestic Partners** of natural persons who are **Insureds** shall be considered **Insureds** under this **Policy**; provided, however, coverage is afforded to such estates, heirs, legal representatives, assigns, spouses and **Domestic Partners** only for a **Claim** arising solely out of their status as such and, in the case of a spouse or **Domestic Partner**, where the **Claim** seeks damages from marital community property, jointly held property or property transferred from the natural person who is an **Insured** to the spouse or **Domestic Partner**. No coverage is provided for any **Wrongful Act** of an estate, heir, legal representative, assign, spouse or **Domestic Partner**. All of the terms and conditions of this **Policy** including, without limitation, the Retentions applicable to **Loss** incurred by natural persons who are **Insureds** shall also apply to **Loss** incurred by such estates, heirs, legal representatives, assigns, spouses and **Domestic Partners**.

G. AUTHORIZATION CLAUSE

By acceptance of this **Policy**, the **Parent Organization** agrees to act on behalf of all **Insureds**, and the **Insureds** agree that the **Parent Organization** will act on their behalf, with respect to the giving of all notices to **Insurer**, the receiving of notices from **Insurer**, the agreement to and acceptance of endorsements, the payment of the premium and the receipt of any return premium.

H. DISCOVERY PERIOD

1. If this **Policy** or any Coverage Section is cancelled or is not renewed by the **Insurer**, for reasons other than non-payment of premium or if the **Parent Organization** elects to cancel or not to renew this **Policy** or a Coverage Section, then the **Parent Organization** shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 5. of the Declarations of the total premium for this **Policy**, or the total premium for the cancelled or not renewed Coverage Section, whichever is applicable, to purchase an extension of the coverage granted by this **Policy** or the applicable cancelled or not renewed Coverage Section with respect to any **Claim** first made during the period of time set forth in Item 5. of the Declarations after the effective date of such cancellation or, in the event of a refusal to renew, after the **Policy** expiration date, but only with respect to any **Wrongful Act** committed before such date. The **Parent Organization** shall have the right to elect only one of the **Discovery Periods** set forth in Item 5. of the Declarations.
2. As a condition precedent to the right to purchase the **Discovery Period** set forth in subsection H.1. above, the total premium for the **Policy** must have been paid. Such right to purchase the **Discovery Period** shall terminate unless written notice, together with full payment of the premium for the **Discovery Period**, is received by **Insurer** within thirty (30) days after the effective date of cancellation, or, in the event of a refusal to renew, within thirty (30) days after the **Policy** expiration date. If such notice and premium payment is not so given to **Insurer**, there shall be no right to purchase the **Discovery Period**.
3. In the event of the purchase of the **Discovery Period**, the entire premium therefore shall be deemed earned at the commencement of the **Discovery Period**.
4. The exercise of the **Discovery Period** shall not in any way increase or reinstate the limit of **Insurer's** liability under any Coverage Section.

I. RUN-OFF COVERAGE

In the event of a **Takeover**:

1. The **Parent Organization** shall have the right, upon payment of an additional premium calculated at the percentage of the total premium for this **Policy** set forth in Item 6. of the Declarations, to an extension of the coverage granted by this **Policy** with respect to any **Claim** first made during the **Run-Off Period**, as set forth in Item 6. of the Declarations, but only with respect to any **Wrongful Act** committed before the effective date of the **Takeover** (herein defined as "Run-Off Coverage"); provided, however, such additional premium shall be reduced by the amount of the unearned premium from the date of the **Takeover** or the date of notice of the election of the Run-Off Coverage, whichever is later, through the expiration date set forth in Item 2. of the Declarations.
2. The **Parent Organization** shall have the right to elect only one of the periods designated in Item 6. of the Declarations. The election must be made prior to the expiration of the **Policy Period**. The right to purchase a **Run-Off Period** shall terminate on the expiration of the **Policy Period**.
3. If a **Run-Off Period** is elected and purchased:
 - a. Section E. above, is deleted in its entirety and neither the **Insureds** nor the **Insurer** may cancel this **Policy** or any Coverage Section thereof;
 - b. Section H. above, is deleted in its entirety; and
 - c. The exercise of the **Run-Off Period** shall not in any way increase or reinstate the limit of the **Insurer's** liability under any Coverage Section.

J. **ADDITIONAL INSURED PERSON DISCOVERY PERIOD**

If the **Parent Organization** cancels or elects not to renew this **Policy**, including all of the applicable Coverage Sections, then any **Insured Person** who was not actively serving in their capacity as an **Insured Person** shall be entitled to an extension of the coverage granted by this **Policy** with respect to any **Claim** first made during the **Additional Insured Person Discovery Period**, but only with respect to any **Wrongful Act** committed before such **Policy** cancellation or non-renewal.

The extension of coverage during the **Additional Insured Person Discovery Period** shall not apply to the **Organization** in any respect. The extension of coverage during the **Additional Insured Person Discovery Period** shall not apply to any **Insured Person** if the **Parent Organization** has elected for the **Discovery Period** or **Run-off Period** under Section H. or I. above.

K. **ALTERNATIVE DISPUTE RESOLUTION**

The **Insureds** and the **Insurer** shall submit any dispute or controversy arising out of or relating to this **Policy** or the breach, termination or invalidity thereof to the alternative dispute resolution ("ADR") process described in this subsection.

Either an **Insured** or the **Insurer** may elect the type of ADR process discussed below; provided, however, that the **Insured** shall have the right to reject the choice by the **Insurer** of the type of ADR process at any time prior to its commencement, in which case the choice by the **Insured** of ADR process shall control.

There shall be two choices of ADR process: (1) non-binding mediation administered by any mediation facility to which the **Insurer** and the **Insured** mutually agree, in which the **Insured** and the **Insurer** shall try in good faith to settle the dispute by mediation in accordance with the then-prevailing commercial mediation rules of the mediation facility; or (2) arbitration submitted to any arbitration facility to which the **Insured** and the **Insurer** mutually agree, in which the arbitration panel shall consist of three disinterested individuals. In either mediation or arbitration, the mediator or arbitrators shall have knowledge of the legal, corporate management, and insurance issues relevant to the matters in dispute. In the event of arbitration, the decision of the arbitrators shall be final and binding and provided to both parties, and the award of the arbitrators shall not include attorneys' fees or other costs. In the event of mediation, either party shall have the right to commence arbitration in accordance with this section; provided, however, that no such arbitration shall be commenced until at least sixty (60) days after the date the mediation shall be deemed concluded or terminated. In all events, each party shall share equally the expenses of the ADR process. Either ADR process may be commenced in New York, New York or in the state indicated in Item 1. of the Declarations as the principal address of the **Parent Organization**. The **Parent Organization** shall act on behalf of each and every **Insured** in connection with any ADR process under this section.

L. **TERRITORY**

Coverage under this **Policy** shall extend to **Wrongful Acts** taking place or **Claims** made anywhere in the world.

M. **ASSISTANCE, COOPERATION AND SUBROGATION**

The **Insureds** agree to provide **Insurer** with such information, assistance and cooperation as **Insurer** reasonably may request, and they further agree that they shall not take any action which in any way increases **Insurer's** exposure under this **Policy**. In the event of any payments under this **Policy**, **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds'** rights of recovery against any person or entity. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable **Insurer** effectively to bring suit or otherwise pursue subrogation in the name of the **Insureds**, and shall provide all other assistance and cooperation which **Insurer** may reasonably require.

N. ACTION AGAINST INSURER, ALTERATION AND ASSIGNMENT

Except as provided in Section J. above, Alternative Dispute Resolution, no action shall lie against **Insurer** unless, as a condition precedent thereto, there shall have been compliance with all of the terms of this **Policy**. No person or organization shall have any right under this **Policy** to join **Insurer** as a party to any action against the **Insureds** to determine their liability, nor shall **Insurer** be impleaded by the **Insureds** or their legal representative. No change in, modification of, or assignment of interest under this **Policy** shall be effective except when made by a written endorsement to this **Policy** which is signed by an authorized representative of the **Insurer**.

O. ENTIRE AGREEMENT

By acceptance of this **Policy**, the **Insureds** agree that this **Policy** embodies all agreements existing between them and **Insurer** or any of their agents relating to this insurance. Notice to any agent or knowledge possessed by any agent or other person acting on behalf of Insurer shall not effect a waiver or a change in any part of this **Policy** or estop **Insurer** from asserting any right under the terms of this **Policy** or otherwise, nor shall the terms be deemed waived or changed except by written endorsement or rider issued by **Insurer** to form part of this **Policy**.

Underwritten by Scottsdale Indemnity Company

A Stock Insurance Company, herein called the **Insurer**

BUSINESS AND MANAGEMENT INDEMNITY POLICY - NON-PROFIT ORGANIZATIONS

EMPLOYMENT PRACTICES COVERAGE SECTION

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, and terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows:

A. INSURING CLAUSES

1. Employee Insuring Clause

Insurer shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of an **Employment Practices Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E.1. herein, for an **Employment Practices Wrongful Act** taking place prior to the end of the **Policy Period**.

2. Third-Party Insuring Clause

In the event **Third-Party** Coverage is affirmatively designated in Item 3. of the Declarations relating to this Coverage Section, the **Insurer** shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of a **Third-Party Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E.1. herein, for a **Third-Party Wrongful Act** taking place prior to the end of the **Policy Period**.

B. DEFINITIONS

1. Claim means any:

- a. **Employment Practices Claim**; or
- b. **Third-Party Claim**.

2. Continuity Date means the Continuity Date set forth in Item 3. of the Declarations relating to this Coverage Section.

3. Costs, Charges and Expenses means reasonable and necessary legal costs, charges, fees and expenses incurred by any of the **Insureds** in defending **Claims** and the premium for appeal, attachment or similar bonds arising out of covered judgments, but with no obligation to furnish such bonds and only for the amount of such judgment that is up to the applicable Limit of Liability. **Costs, Charges and Expenses** do not include salaries, wages, fees, overhead or benefit ex-penses of or associated with officers or employees of the **Organization**.

4. Employee means any person who was, now is or shall become:

- a. a full-time or part-time employee of the **Organization**, including voluntary, seasonal, and temporary employees;
- b. any individual who applies for employment with the **Organization**; and
- c. any natural person who is a leased employee or is contracted to perform work for the **Organization**, or is an independent contractor for the **Organization**, but only to the extent such individual performs work or services for or on behalf of the **Organization**.

5. Employment Practices Claim means:

- a. a written demand against an **Insured** for damages or other relief;
- b. a civil, judicial, administrative, regulatory or arbitration proceeding or a formal governmental investigation against an **Insured** seeking damages or other relief, commenced by the service of a complaint or similar pleading, including any appeal therefrom;
- c. a civil proceeding against an **Insured** before the Equal Employment Opportunity Commission or any similar federal, state or local governmental body, commenced by the filing of a notice of charges, investigative order or similar document; or
- d. a criminal proceeding brought for an **Employment Practices Wrongful Act** in a court outside of the United States against any **Insured**, commenced by a return of an indictment or similar document, or receipt or filing of a notice of charges,

brought by or on behalf of an **Employee** in their capacity as such. **Employment Practices Claim** does not include a labor or grievance proceeding, which is pursuant to a collective bargaining agreement.

6. **Employment Practices Wrongful Act** means any actual or alleged:

- a. violation of any common or statutory federal, state, or local law prohibiting any kind of employment-related discrimination;
- b. harassment, including any type of sexual or gender harassment as well as racial, religious, sexual orientation, pregnancy, disability, age, or national origin-based harassment, or unlawful workplace harassment, including workplace harassment by any non-employee;
- c. abusive or hostile work environment;
- d. wrongful discharge or termination of employment, whether actual or constructive;
- e. breach of an actual or implied employment contract;
- f. wrongful deprivation of a career opportunity, wrongful failure or refusal to employ or promote, or wrongful demotion;
- g. employment-related defamation, libel, slander, disparagement, false imprisonment, misrepresentation, malicious prosecution, or invasion of privacy;
- h. wrongful failure or refusal to adopt or enforce workplace or employment practices, policies or procedures, solely as respects employment-related discrimination or harassment;
- i. wrongful discipline;
- j. employment-related wrongful infliction of emotional distress, mental anguish, or humiliation;
- k. **Retaliation**;
- l. negligent evaluation; or
- m. negligent hiring or negligent supervision of others in connection with a. through l. above, but only if employment-related and claimed by or on behalf of any **Employee** and only if committed or allegedly committed by any of the **Insureds** in their capacity as such.

7. **Insured Persons** means all persons who were, now are or shall become:

- a. a director, officer, trustee, volunteer or committee member of the **Organization**;
- b. any **Employee**; and
- c. the functional equivalent of a director, officer, trustee, volunteer or committee member or **Employee** in the event the **Organization** incorporated or domiciled outside the United States.

8. **Insureds** means the **Organization** and any **Insured Persons**.

9. **Interrelated Wrongful Acts** means all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of facts, circumstances, situations, events, transactions or causes.
10. **Loss** means the damages, judgments, settlements, pre-judgment or post-judgment interest awarded by a court, front pay and back pay, and **Costs, Charges and Expenses** incurred by any of the **Insureds**.
Loss does not include:
 - a. taxes, fines or penalties;
 - b. matters uninsurable under the laws pursuant to which this **Policy** is construed;
 - c. punitive or exemplary damages, liquidated damages awarded by a court pursuant to a violation of the Equal Pay Act, the Age Discrimination in Employment Act or the Family Medical Leave Act, all as amended, or any rules or regulations promulgated thereunder, or similar provisions of any common or statutory federal, state or local law, or the multiple portion of any multiplied damage award, except to the extent that such punitive, exemplary, or liquidated damages or the multiple portion of any multiplied damage award are insurable under the internal laws of any jurisdiction which most favors coverage for such damages and which has a substantial relationship to the **Insureds, Insurer, this Policy** or the **Claim** giving rise to such damages;
 - d. the cost of any remedial, preventative or other non-monetary relief, including without limitation any costs associated with compliance with any such relief of any kind or nature imposed by any judgment, settlement or governmental authority;
 - e. amounts owed under any employment contract, partnership, stock or other ownership agreement, or any other type of contract;
 - f. disability, social security, workers compensation, medical insurance, retirement or pension benefit payments, or settlement amounts representing benefit payments;
 - g. the costs to modify or adapt any building or property to be accessible or accommodating, or to be more accessible or accommodating, to any disabled person;
 - h. the cost of creating or reinstating employment;
 - i. any amount owed as wages to any **Employee**, other than front pay or back pay; or
 - j. any amount for which the **Insured** is not financially liable or legally obligated to pay.
11. **Retaliation** means any actual or alleged response of any of the **Insureds** to:
 - a. the disclosure or threat of disclosure by an **Employee** to a superior or to any governmental agency of any act by any of the **Insureds** where such act is alleged to be a violation of any federal, state local or foreign law, whether common or statutory, or any rule or regulation promulgated thereunder;
 - b. the actual or attempted exercise by an **Employee** of any right that such **Employee** has under law, including rights under any worker's compensation law, the Family and Medical Leave Act, the Americans with Disabilities Act or any other law relating to employee rights;
 - c. the filing of any claim under the Federal False Claims Act or any similar federal, state, local or foreign "whistleblower" law or "whistleblower" provision of any law; or
 - d. any legally-protected **Employee** work stoppage or slowdown.
12. **Third-Party** means any natural person who is a customer, vendor, service provider, client, or other business invitee of the **Organization**; provided, however, **Third-Party** shall not include any **Employee**.
13. **Third-Party Claim** means:
 - a. any written demand for damages or other relief against an **Insured**;

- b. a civil judicial, administrative or arbitration proceeding against an **Insured** seeking damages or other relief, including any appeal therefrom; or
- c. a criminal proceeding brought for an **Employment Practices Wrongful Act** in a court outside of the United States against any **Insured**, commenced by a return of an indictment or similar document, or receipt or filing of a notice of charges;

brought by or on behalf of a **Third-Party** in their capacity as such.

14. **Third-Party Wrongful Act** means any actual or alleged:

- a. harassment of a **Third-Party**, including but not limited to any type of sexual or gender harassment as well as racial, religious, sexual orientation, pregnancy, disability, age, or national origin-based harassment; or
- b. discrimination against a **Third-Party**, including but not limited to any such discrimination on account of race, color, religion, age, disability or national origin.

15. **Wrongful Act** means:

- a. **Employment Practices Wrongful Act**; or
- b. **Third-Party Wrongful Act**.

C. EXCLUSIONS

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

1. for actual or alleged bodily injury, sickness, disease or death of any person, or damage to or destruction of any tangible or intangible property including loss of use thereof, whether or not such property is physically injured; provided, however, this exclusion shall not apply to mental anguish, emotional distress or humiliation;
2. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of which this **Policy** is a renewal or replacement or which it succeeds in time; or
 - b. any other **Wrongful Act** whenever occurring which, together with a **Wrongful Act**, which has been the subject of such notice, would constitute **Interrelated Wrongful Acts**;
3. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. the actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Pollutants**; or
 - b. any direction or request that any **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so;

including without limitation any such **Claim** by or on behalf of the **Organization**, its securities holders or creditors based upon, arising out of, or attributable to the matters described in this exclusion. Provided, however, this exclusion shall not apply to that part of any **Claim** under this Coverage Section where such **Claim** is for **Retaliation**.

For purposes of this exclusion, **Pollutants** means any substance exhibiting any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United States Environmental Protection Agency or any federal, state, county, municipal or local counterpart thereof or any foreign equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, biological, bacterial or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be reconditioned, recycled or reclaimed). **Pollutants** shall also mean any other air emission or particulate, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, noise, fungus (including mold or mildew

- and any mycotoxins, spores, scents or byproducts produced or released by fungi, but does not include any fungi intended by the **Insured** for consumption) and electric or magnetic or electromagnetic field;
4. for any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, all as amended, or any rules or regulations promulgated thereunder, or similar provisions of any common or statutory federal, state or local law; provided, however, this exclusion does not apply to any such **Claim** alleging violations of the Equal Pay Act or **Retaliation**;
 5. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** actually or allegedly committed subsequent to a **Takeover**;
 6. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. any prior or pending litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry, including without limitation any investigation by the United States Department of Labor or the United States Equal Employment Opportunity Commission, filed or pending on or before the **Continuity Date**;
 - b. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation or administrative proceeding, demand letter or formal or informal governmental investigation or inquiry, including any investigation by the United States Department of Labor or the United States Equal Employment Opportunity Commission; or
 7. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act**, fact, circumstance, or situation which any of the **Insured Persons** who were, now are, or shall be directors, officers, trustees, managers or supervisory employees, had knowledge of prior to the **Continuity Date** where such **Insured Persons** had reason to believe at the time that such known **Wrongful Act** could reasonably be expected to give rise to such **Claim**;
 8. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, any actual or alleged responsibility, obligation or duty of any **Insured** pursuant to any workers compensation, unemployment insurance, social security, disability benefits or pension benefits or similar law; provided, however, this exclusion shall not apply to any such **Claim** alleging **Retaliation**; or
 9. for that portion of **Loss** which is covered under any other Coverage Section of this **Policy**.

No **Wrongful Act** of one or more **Insureds** shall be imputed to any other **Insureds** for the purpose of determining the applicability of any of the above exclusions.

D. **LIMIT OF LIABILITY AND RETENTIONS**

1. The liability of the **Insurer** shall apply only to that part of **Loss** which is excess of the Retention amount applicable to this Coverage Section, as shown in Item 3. of the Declarations. Such Retention shall be borne uninsured by the **Insureds** and at their own risk. If different parts of a single **Claim** are subject to different applicable Retentions under this Coverage Section, the applicable Retentions will be applied separately to each part of such **Loss**, but the sum of such Retentions shall not exceed the largest applicable Retention.
2. The amount shown in Item 3.1. of the Declarations relating to this Coverage Section shall be the maximum aggregate Limit of Liability of the **Insurer** under this Coverage Section.
3. All **Claims** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** shall be deemed to be a single **Claim**, and such **Claim** shall be deemed to have been made at the earliest of the following times, regardless of whether such date is before or during the **Policy Period**:
 - a. the time at which the earliest **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** is first made; or
 - b. the time at which the **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to have been made pursuant to subsection E.2. below.

4. Payments of **Loss**, other than **Costs, Charges and Expenses**, by **Insurer** shall reduce the Limit of Liability under this Coverage Section. **Costs, Charges and Expenses** are not part of and are in addition to the Limit of Liability. Payment of **Costs, Charges and Expenses** by the **Insurer** shall not reduce the Limit of Liability. If such Limit of Liability is exhausted, the obligations of the **Insurer** under this Coverage Section shall be completely fulfilled and extinguished.

E. NOTIFICATION

1. The **Insureds** shall, as a condition precedent to their rights to payment under this Coverage Section only, give to **Insurer** written notice of any **Claim** made against the **Insureds** as soon as practicable, but in no event later than sixty (60) days after such **Claim** is first made against the **Insureds**, or the expiration of the **Policy Period**, whichever is later. If any **Claim** is first made against the **Insureds** during the **Extended Period**, if purchased, written notice to **Insurer** must be given as soon as practicable, but in no event later than sixty (60) days after such **Claim** is first made against the **Insureds**, or the end of the **Extended Period**, whichever is later.
2. If, during the **Policy Period** or the **Discovery Period**, any of the **Insureds** first becomes aware of a specific **Wrongful Act** which may reasonably give rise to a future **Claim** covered under this **Policy**, and if the **Insureds**, during the **Policy Period** or the **Discovery Period**, if purchased, given written notice to **Insurer** as soon as practicable of:
 - a. a description of the **Wrongful Act** allegations anticipated;
 - b. the identity of the potential claimants;
 - c. the circumstances by which the **Insureds** first became aware of the **Wrongful Act**;
 - d. the identity of the **Insureds** allegedly involved;
 - e. the consequences which have resulted or may result; and
 - f. the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such **Wrongful Act** shall be deemed for the purposes of this Coverage Section to have been made at the time such written notice was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such **Wrongful Act** results in a **Claim**.

3. Notice to **Insurer** shall be given to the address specified in Item 8. of the Declarations for this **Policy**.

F. SETTLEMENT AND DEFENSE

1. It shall be the duty of the **Insurer** and not the duty of the **Insureds** to defend any **Claim**. Such duty shall exist even if any of the allegations are groundless, false or fraudulent. The **Insurer's** duty to defend any **Claim** shall cease when the Limits of Liability have been exhausted.
2. The **Insurer** may make any investigation it deems necessary and shall have the right to settle any **Claim**; provided, however, no settlement shall be made without the consent of the **Parent Company**, such consent not to be unreasonably withheld.
3. Notwithstanding subsection 1. above, in the event that any **Claim** is brought as a class action, and all or any part of such **Claim** involves any actual or alleged violation of the Fair Labor Standards Act of 1938, as amended, or any similar state law, regulation or code, then it shall be the duty of the **Insureds** and not the duty of the **Insurer** to defend any such **Claim**.
4. The **Insureds** agree not to settle or offer to settle any **Claim**, incur any **Costs, Charges and Expenses** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld. The **Insurer** shall not be liable for any settlement, **Costs, Charges and Expenses**, assumed obligation or admission to which it has not consented. The **Insureds** shall promptly send to the **Insurer** all settlement demands or offers received by any **Insured** from the claimant(s).
5. If the **Insurer** does not have the duty to defend a **Claim**, then the **Insurer** shall have the right and shall be given the opportunity to effectively associate with, and shall be consulted in advance by, the **Insureds** regarding the defense and negotiation of any settlement of any **Claim**.

6. The **Insureds** agree to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** reasonably requests and agree that, in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the position of the **Insurer** or its potential or actual rights of recovery.
7. If the **Insurer** does not have the duty to defend a **Claim**, the **Insurer** shall, on a quarterly basis, advance on behalf of the **Insureds** covered **Costs, Charges and Expenses**, which the **Insureds** have incurred in connection with **Claims** made against them, prior to disposition of such **Claims**. Any advancement of **Costs, Charges and Expenses** shall be subject to the condition that such advanced amounts shall be repaid to the **Insurer** by the **Insureds** severally according to their respective interests if and to the extent the **Insureds** shall not be entitled to coverage for such **Costs, Charges and Expenses** under the terms and conditions of this **Policy**.

G. OTHER INSURANCE

1. For any **Employment Practices Claim**, if any **Loss** covered under this Coverage Section is covered under any other valid and collectable insurance, then this **Policy** shall be primary insurance; provided that with respect to that portion of an **Employment Practice Claim** made against any leased, temporary or independently contracted **Employee, Loss**, including **Costs, Charges and Expenses**, payable on behalf of such **Employee** under this Coverage Section will be specifically excess of and will not contribute with such other insurance, including but not limited to any such other insurance under which there is a duty to defend, unless such insurance is specifically stated to be in excess over the Limit of Liability of this Coverage Section.
2. For any **Third-Party Claim**, if any **Loss** covered under this Coverage Section is covered under any other valid and collectable insurance, then this **Policy** shall be specifically excess of and will not contribute with such other insurance, including but not limited to any such other insurance under which there is a duty to defend, unless such other insurance is specifically stated to be excess over the Limit of Liability of this Coverage Section.

H. ALLOCATION

If the **Insurer** does not have the duty to defend a **Claim**, then the following subsections shall apply to such **Claim**.

1. If, in any **Claim** covered in whole or in part under this Coverage Section, the **Insureds** who are afforded coverage for such **Claim** incur **Loss** jointly with others, or incur an amount consisting of both **Loss** covered by this **Policy** and loss not covered by this **Policy** because such **Claim** includes both covered and uncovered matters, then the **Insureds** and the **Insurer** shall allocate such amount between covered **Loss** and uncovered loss based upon the relative legal and financial exposures and the relative benefits obtained by the parties to covered and uncovered matters.
2. If there can be an agreement between **Insureds** and the **Insurer** on an allocation of **Costs, Charges and Expenses**, the **Insurer** shall advance on a current basis covered **Costs, Charges and Expenses**. If there can be no agreement on allocation of **Costs, Charges and Expenses**, the **Insurer** shall advance on a current basis **Costs, Charges and Expenses** which the **Insurer** believes to be covered under this **Policy** until a different allocation is negotiated or arbitrated. Any advancement of **Costs, Charges and Expenses** shall be subject to, and conditioned upon receipt by the **Insurer** of, a written undertaking by the **Insureds** that such advanced amounts shall be repaid to the **Insurer** by the **Insureds** severally according to their respective interests if and to the extent that **Insureds** shall not be entitled under the terms and conditions of the **Policy** to coverage for such **Costs, Charges and Expenses**.
3. Any negotiated or arbitrated allocation of **Costs, Charges and Expenses** on account of a **Claim** shall be applied retroactively to all **Costs, Charges and Expenses** on account of such **Claim**, notwithstanding any prior advancement to the contrary. Any allocation or advancement of **Costs, Charges and Expenses** on account of a **Claim** shall not apply to or create any presumption with respect to the allocation of other **Loss** on account of such **Claim** or any other **Claim**.

Underwritten by Scottsdale Indemnity Company

A Stock Insurance Company, herein called the **Insurer**

BUSINESS AND MANAGEMENT INDEMNITY POLICY - NON-PROFIT ORGANIZATIONS

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, and terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows:

A. INSURING CLAUSE

Insurer shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of a **Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to Section E.1. herein, for any **Wrongful Act** taking place prior to the end of the **Policy Period**.

B. DEFINITIONS

1. **Claim** means:

- a. a written demand against any **Insured** for monetary damages or non-monetary or injunctive relief;
- b. a civil proceeding against any **Insured** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading;
- c. a criminal proceeding against any **Insured**, commenced by a return of an indictment or similar document, or receipt or filing of a notice of charges;
- d. an arbitration proceeding against any **Insured** seeking monetary damages or non-monetary or injunctive relief; or
- e. a civil, administrative or regulatory proceeding or a formal governmental investigation against any **Insured** commenced by the filing of a notice of charges, investigative order or similar document.

2. **Continuity Date** means the date set forth in Item 3. of the Declarations relating to this Coverage Section.

3. **Costs, Charges and Expenses** means reasonable and necessary legal costs, charges, fees and expenses incurred by any of the **Insureds** in defending **Claims** and the premium for appeal, attachment or similar bonds arising out of covered judgments, but with no obligation to furnish such bonds and only for the amount of such judgment that is up to the applicable Limit of Liability. **Costs, Charges and Expenses** do not include salaries, wages, fees, overhead or benefit expenses of or associated with officers or employees of the **Organization**.

4. **Insured Persons** means all persons who were, now are or shall become:

- a. a director, officer, trustee, volunteer, committee member or employee of the **Organization**; and
- b. the functional equivalent of a director, officer, trustee, volunteer, committee member or employee in the event the **Organization** is incorporated or domiciled outside the United States.

5. **Insureds** mean the **Organization** and the **Insured Persons**.

6. **Interrelated Wrongful Acts** means all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of facts, circumstances, situations, events, transactions or causes.

7. **Loss** means damages, judgments, settlements, pre-judgment or post-judgment interest awarded by a court, and **Costs, Charges and Expenses** incurred by any of the **Insureds**.

Loss does not include:

- a. taxes, fines or penalties;
 - b. matters uninsurable under the laws pursuant to which this **Policy** is construed;
 - c. punitive or exemplary damages, or the multiple portion of any multiplied damage award, except to the extent that such punitive or exemplary damages, or the multiple portion of any multiplied damage award are insurable under the internal laws of any jurisdiction which most favors coverage for such damages and which has a substantial relationship to the **Insureds, Insurer, this Policy** or the **Claim** giving rise to such damages;
 - d. the cost of any remedial, preventative or other non-monetary relief, including without limitation any costs associated with compliance with any such relief of any kind or nature imposed by any judgment, settlement or governmental authority;
 - e. any amount for which the **Insured** is not financially liable or legally obligated to pay;
 - f. the costs to modify or adapt any building or property to be accessible or accommodating or more accessible or accommodating, to any disabled person; or
 - g. any amounts owed or paid under any written or express contract or agreement.
8. **Personal Injury Act** means false arrest, wrongful detention or imprisonment, malicious prosecution, invasion of privacy, or wrongful entry or eviction.
9. **Publisher Liability Act** means defamation, infringement of copyright or trademark, unauthorized use of title, plagiarism or misappropriation of ideas.
10. **Wrongful Act** means any actual or alleged error, omission, misleading statement, misstatement, neglect, breach of duty or act, **Publisher Liability Act** or **Personal Injury Act** allegedly committed or attempted by any **Insured**, while acting in their capacity as such, or any matter claimed against any **Insured Persons** solely by reason of his or her serving in such capacity.

C. EXCLUSIONS

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

1. for actual or alleged bodily injury, sickness, disease, death, assault, battery, mental anguish, emotional distress, or damage to or destruction of any tangible or intangible property including loss of use thereof, whether or not such property is physically injured;
2. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of which this **Policy** is a renewal or replacement or which it succeeds in time; or
 - b. any other **Wrongful Act**, whenever occurring, which together with a **Wrongful Act** which has been the subject of such prior notice, would constitute **Interrelated Wrongful Acts**;
3. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. the actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Pollutants**; or
 - b. any direction or request that any **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so;

For purposes of this exclusion, **Pollutants** means any substance exhibiting any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United

- States Environmental Protection Agency or any federal, state, county, municipal or local counterpart thereof or any foreign equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, biological, bacterial or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be reconditioned, recycled or reclaimed). **Pollutants** shall also mean any other air emission or particulate, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, noise, fungus (including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi, but does not include any fungi intended by the **Insured** for consumption) and electric or magnetic or electromagnetic field;
4. for any actual or alleged violation of the responsibilities, obligations or duties imposed by Employee Retirement Income Security Act of 1974, as amended, or any rules or regulations promulgated thereunder, or similar provisions of any federal, state or local statutory or common law;
 5. brought or maintained by, on behalf of, in the right of, or at the direction of any **Insured** in any capacity, unless such **Claim**:
 - a. is brought derivatively on behalf of the **Organization** and is instigated and continued totally independent of, and totally without the solicitation, assistance, active participation of, or intervention of, any **Insured**;
 - b. is brought or maintained by any **Insured** in the form of a cross-claim, third-party claim or other proceeding for contribution or indemnity which is part of, and directly results from a **Claim** that is covered by this Coverage Section; or
 - c. is brought or maintained by any bankruptcy trustee or bankruptcy appointed representative of the **Organization**;
 6. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. any dishonest, deliberately fraudulent or criminal act of any **Insured**; provided, however this exclusion 6.a. shall not apply unless and until there is a final judgment against such **Insured** as to such conduct; or
 - b. the gaining of any profit, remuneration or financial advantage to which any **Insured Person** was not legally entitled; provided, however, that this exclusion 6.b. shall not apply unless and until there is a final judgment against such **Insured Person** as to such conduct;

when this exclusion applies, the **Insured** shall reimburse the **Insurer** for any **Costs, Charges or Expenses** advanced;
 7. for the return by any of the **Insured Person** of any remuneration paid to them without the previous approval of the appropriate governing body of the **Organization**, which payment without such previous approval shall be held to be in violation of law;
 8. against any of the **Insured Person** of any **Subsidiary** or against any **Subsidiary** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** actually or allegedly committed or attempted by a **Subsidiary** or **Insured Person** thereof:
 - a. before the date such entity became a **Subsidiary** or after the date such entity ceased to be a **Subsidiary**; or
 - b. occurring while such entity was a **Subsidiary** which, together with a **Wrongful Act** occurring before the date such entity became a **Subsidiary**, would constitute **Interrelated Wrongful Acts**;
 9. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** actually or allegedly committed subsequent to a **Takeover**;
 10. for a **Wrongful Act** actually or allegedly committed or attempted by any of the **Insured Person** in his or her capacity as a director, officer, trustee, manager, member of the board of managers or equivalent executive of a limited liability Organization or employee of, or independent contractor for or in any other capacity or position with any entity other than the **Organization**;

11. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. any prior or pending litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry filed or pending on or before the **Continuity Date**; or
 - b. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry;
12. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, any **Wrongful Act**, fact, circumstance or situation which any of the **Insureds** had knowledge of prior to the **Continuity Date** where such **Insureds** had reason to believe at the time that such known **Wrongful Act** could reasonably be expected to give rise to such **Claim**;
13. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any employment or employment-related matters brought by or on behalf of or on the right of an applicant for employment with the **Organization** or any **Insured Person**;
14. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving the actual or alleged breach of any contract or agreement; provided, however, this exclusion shall not apply to **Costs, Charges and Expenses**; or
15. for that portion of **Loss** which is covered under any other Coverage Section of this **Policy**.

No **Wrongful Act** of one or more **Insureds** shall be imputed to any other **Insureds** for the purpose of determining the applicability of any of the above exclusions.

D. LIMIT OF LIABILITY AND RETENTIONS

1. The liability of the **Insurer** shall apply only to that part of **Loss**, which is excess of the Retention amounts applicable to this Coverage Section, as shown in Item 3. of the Declarations. Such Retentions shall be borne uninsured by the **Insureds** and at their own risk. If different parts of a single **Claim** are subject to different applicable Retentions under this Coverage Section, the applicable Retentions will be applied separately to each part of such **Loss**, but the sum of such Retentions shall not exceed the largest applicable Retention.
2. The amount shown in Item 3. of the Declarations relating to this Coverage Section shall be the maximum aggregate Limit of Liability of **Insurer** under this Coverage Section.
3. All **Claims** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** shall be deemed to constitute a single **Claim** and shall be deemed to have been made at the earliest of the following times, regardless of whether such date is before or during the **Policy Period**:
 - a. the time at which the earliest **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Act** is first made; or
 - b. the time at which the **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to have been made pursuant to Section E.2., below.
4. Payments of **Loss**, other than **Costs, Charges and Expenses** by **Insurer** shall reduce the Limit of Liability under this Coverage Section. **Costs, Charges and Expenses** are not part of and are in addition to the Limit of Liability. Payment of **Costs, Charges and Expenses** by the **Insurer** does not reduce the Limit of Liability. If such Limit of Liability is exhausted, the obligations of the **Insurer** under this Coverage Section are completely fulfilled and extinguished.

E. NOTIFICATION

1. The **Insureds** shall, as a condition precedent to their rights to payment under this Coverage Section only, give **Insurer** written notice of any **Claim** as soon as practicable, but in no event later than sixty (60) days after the end of the **Policy Period**. If any **Claim** is first made against the **Insureds** during the **Extended Period**, if purchased, written notice to **Insurer** must be given as soon as practicable,

but in no event later than sixty (60) days after the end of the **Extended Period**.

2. If, during the **Policy Period** or the **Discovery Period**, if purchased, any of the **Insureds** first becomes aware of a specific **Wrongful Act** which may reasonably give rise to a future **Claim** covered under this **Policy**, and if the **Insureds**, during the **Policy Period** or the **Discovery Period**, if purchased, give written notice to **Insurer** as soon as practicable of:

- a. a description of the **Wrongful Act** allegations anticipated;
- b. the identity of the potential claimants;
- c. the circumstances by which the **Insureds** first became aware of the **Wrongful Act**;
- d. the identity of the **Insureds** allegedly involved;
- e. the consequences which have resulted or may result; and
- f. the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such **Wrongful Act** shall be deemed for the purposes of this Coverage Section to have been made at the time such notice was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such **Wrongful Act** results in a **Claim**.

3. Notice to **Insurer** shall be given to the address shown under Item 8. of the Declarations for this **Policy**.

F. SETTLEMENT AND DEFENSE

1. It shall be the duty of the **Insurer** and not the duty of the **Insureds** to defend any **Claim**. Such duty shall exist even if any of the allegations are groundless, false or fraudulent. The **Insurer's** duty to defend any **Claim** shall cease when the Limit of Liability has been exhausted.
2. The **Insurer** may make any investigation it deems necessary, and shall have the right to settle any **Claim**; provided, however, no settlement shall be made without the consent of the **Parent Company**, such consent not to be unreasonably withheld.
3. The **Insureds** agree not to settle or offer to settle any **Claim**, incur any **Costs, Charges and Expenses** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld. The **Insurer** shall not be liable for any settlement, **Costs, Charges and Expenses**, assumed obligation or admission to which it has not consented. The **Insureds** shall promptly send to the **Insurer** all settlement demands or offers received by any **Insured** from the claimant(s).
4. The **Insureds** agree to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** reasonably requests and agree that, in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the position of the **Insurer** or its potential or actual rights of recovery.

G. OTHER INSURANCE

If any **Loss** covered under this Coverage Section is covered under any other valid and collectible insurance, then this **Policy** shall cover the **Loss**, subject to its terms and conditions, only to the extent that the amount of the **Loss** is in excess of the amount of such other insurance whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limit of Liability for this Coverage Section.

Underwritten by Scottsdale Indemnity Company

A Stock Insurance Company, herein called the **Insurer**

BUSINESS AND MANAGEMENT INDEMNITY POLICY - NON-PROFIT ORGANIZATIONS

FIDUCIARY COVERAGE SECTION

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, and terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows:

A. INSURING CLAUSE

Insurer shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of a **Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to Section E.1. herein, for any **Wrongful Act** taking place prior to the end of the **Policy Period**.

B. DEFINITIONS

1. **Administration** means:

- a. counseling employees, beneficiaries or **Plan** participants with respect to any **Plan**;
- b. providing interpretations with respect to any **Plan**;
- c. handling records in connection with any **Plan**; or
- d. enrolling, terminating, or canceling employees under any **Plan**.

2. **Claim** means:

- a. a written demand for damages or other relief against an **Insured**;
- b. a civil, administrative, regulatory or arbitration proceeding against any **Insured** seeking damages or other relief, commenced by the service of a complaint or similar pleading, including any appeal therefrom; or
- c. a civil proceeding or formal investigation brought by the United States Department of Labor, the United States Pension Benefit Guaranty Corporation or any similar federal, state or local governmental body, including any appeal therefrom.

3. **Continuity Date** means the date set forth in Item 3. of the Declarations relating to this Coverage Section.

4. **Costs, Charges and Expenses** means reasonable and necessary legal costs, charges, fees and expenses incurred by any of the **Insureds** in defending **Claims** and the premium for appeal, attachment or similar bonds arising out of covered judgments, but with no obligation to furnish such bonds and only for the amount of such judgment that is up to the applicable Limit of Liability. **Costs, Charges and Expenses** do not include salaries, wages, overhead or benefit expenses associated with officers or employees of any of the **Insureds**.

5. **Employee Benefit Plan** means any plan so defined by the Employee Retirement Income Security Act of 1974, as amended, or any similar state or local common or statutory law, or any rules and regulations promulgated thereunder.

6. **Insured Persons** means:

- a. any natural persons who were, now are, or shall become a trustee, director, officer or employee of the **Sponsor Organization** or **Plan**,

- b. any natural persons who were, now are, or shall become a fiduciary of any **Plan**; and
 - c. any natural persons for whose **Wrongful Acts** any of the **Insureds** are legally responsible.
7. **Insured Plan** means any government-mandated insurance for workers' compensation, unemployment, social security or disability benefits for employees of the **Sponsor Organization**.
8. **Insureds** means:
- a. the **Sponsor Organization**,
 - b. any **Plan**,
 - c. any **Insured Persons**; and
 - d. any other natural person or entity who was, now are, or shall be acting as a plan administrator of any of the **Plans** at the written request and consent of the **Sponsor Organization**.
9. **Interrelated Wrongful Acts** means all **Wrongful Acts** which have as a common nexus any fact, circumstance, situation, event, cause, transaction or series of facts, circumstances, situations, causes, events or transactions.
10. **Loss** means monetary damages, judgments, settlements, pre-judgment or post-judgment interest awarded by a court, and **Costs, Charges and Expenses** incurred by any of the **Insureds**. **Loss** does not include:
- a. taxes, fines or penalties;
 - b. matters uninsurable under the laws pursuant to which this **Policy** is construed; or
 - c. punitive or exemplary damages, or the multiple portion of any multiplied damage award, except to the extent that such punitive or exemplary damages, or the multiple portion of any multiplied damage award are insurable under the internal laws of any jurisdiction most favors coverage for such damages and which has a substantial relationship to the **Insureds, Insurer, this Policy** or the **Claim** giving rise to such damages.
11. **Pension Benefit Plan** means any plan so defined in the Employee Retirement Income Security Act of 1974, as amended.
12. **Plan** means:
- a. any **Sponsored Plan**; and
 - b. any **Insured Plan**,
- established before or after the inception of this **Policy**.
13. **Plan Termination** means the termination, suspension, merger or dissolution of any **Plan**.
14. **Sponsor Organization** means the **Organization**.
15. **Sponsored Plan** means:
- a. any **Employee Benefit Plan, Pension Benefit Plan, or Welfare Benefit Plan** which is operated by the **Sponsor Organization** for the benefit of the employees of the **Sponsor Organization**; and
 - b. any other plan, fund or program specifically included as a **Sponsored Plan** by endorsement to this **Policy**;
- provided, however, that **Sponsored Plan** shall not include any multi-employer plan, as defined in the Employee Retirement Income Security Act of 1974, as amended, or any similar state or local common or statutory law, and any rules and regulations promulgated thereunder.
16. **Welfare Benefit Plan** means any employee welfare benefit plan so defined in the Employee Retirement Income Security Act of 1974, as amended, or any similar state or local common or

statutory law, and any rules and regulations promulgated thereunder.

17. **Wrongful Act** means:

a. with respect to a **Sponsored Plan**:

- i. any actual or alleged breach of the responsibilities, obligations or duties imposed upon fiduciaries of the **Sponsored Plan** by the Employee Retirement Income Security Act of 1974, as amended, or by the Health Insurance Portability and Accountability Act of 1996, or any similar state or local common or statutory law, and any rules and regulations promulgated under either of these Acts;
- ii. any other matter claimed against the **Sponsor Organization** or any of the **Insured Persons** solely because of the service of the **Sponsor Organization** or any of the **Insured Persons** as a fiduciary of any **Sponsored Plan**, including any actual or alleged violation of the Health Insurance Portability and Accountability Act of 1996 or any similar state or local common or statutory law, and any rules and regulations promulgated thereunder; or
- iii. any actual or alleged act, error or omission in the **Administration** of any **Sponsored Plan**, including any actual or alleged violation of the Health Insurance Portability and Accountability Act of 1996 or any similar state or local common or statutory law, and any rules and regulations promulgated thereunder; and

b. with respect to an **Insured Plan**, any actual or alleged act, error or omission in the **Administration** of such **Insured Plan**.

C. **EXCLUSIONS**

1. **Insurer** shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

- a. for actual or alleged bodily injury, sickness, disease, death, false imprisonment, assault, battery, mental anguish, emotional distress, invasion of privacy of any person, or damage to or destruction of any tangible or intangible property including loss of use thereof, whether or not such property is physically injured;
- b. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - i. any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of which this **Policy** is a renewal or replacement or which it succeeds in time; or
 - ii. any other **Wrongful Act**, whenever occurring, which together with a **Wrongful Act**, which has been the subject of such prior notice, would constitute **Interrelated Wrongful Acts**;
- c. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - i. the actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Pollutants**; or
 - ii. any direction or request that any **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so.

For purposes of this exclusion, **Pollutants** means any substance exhibiting any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United States Environmental Protection Agency or any federal, state, county, municipal or local counterpart thereof or any foreign equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, biological, bacterial or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be reconditioned, recycled or reclaimed). **Pollutants** shall also mean any other air emission or particulate, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, noise, fungus (including mold or mildew and any mycotoxins, spores, scents

- or byproducts produced or released by fungi, but does not include any fungi intended by the **Insured** for consumption) and electric or magnetic or electromagnetic field;
- d. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, the failure to comply with any statutory or common law governing workers' compensation, unemployment, social security or disability benefits or any similar law; provided, however, this exclusion shall not apply to any actual or alleged obligation of any **Insured** pursuant to the:
 - i. Consolidated Omnibus Budget Reconciliation Act of 1985, as amended; or
 - ii. Health Insurance Portability and Accountability Act of 1996, as amended;
- e. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, In consequence of, or in any way involving:
 - i. any dishonest, deliberately fraudulent or criminal act of any **Insured**; provided, however this exclusion e.i. shall not apply unless and until there is a final judgment against such **Insured** as to such conduct; or
 - ii. the gaining in fact of any profit, remuneration or financial advantage to which any **Insured Person** were not legally entitled; provided, however, that this exclusion e.ii. shall not apply unless and until there is a final judgment against such **Insured Person** as to such conduct;
- f. against any Subsidiary or any of the **Insured Persons** of a **Subsidiary** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** actually or allegedly committed or attempted by a **Subsidiary** or any of the **Insured Persons** of a **Subsidiary**:
 - i. before the date such entity became a **Subsidiary** or after the date such entity ceased to be a **Subsidiary**; or
 - ii. occurring while such entity was a **Subsidiary** which, together with a **Wrongful Act** occurring before the date such entity became a **Subsidiary**, would constitute **Interrelated Wrongful Acts**;
- g. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, any **Wrongful Act** actually or allegedly committed subsequent to a **Takeover**;
- h. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - i. any prior or pending litigation, arbitration, or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry filed or pending on or before of the **Continuity Date**; or
 - ii. any fact, circumstance, situation, transaction, cause or event underlying or alleged in such litigation, arbitration, administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry;
- i. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, any **Wrongful Act** actually or allegedly committed subsequent to a **Plan Termination**; provided, however, that this exclusion shall only apply to those **Plans** which were the subjects of the **Plan Termination**;
- j. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any employment or employment-related matters; provided, however, this exclusion shall not apply to any **Claim** where such employment or employment-related matters involve actual or alleged violations of the Employee Retirement Income Security Act of 1974, as amended, or any similar state or local common or statutory law, and any rules and regulations promulgated thereunder;
- k. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act**, fact, circumstance or situation which any of the **Insureds** had knowledge of prior to the **Continuity Date** where such

Insureds had reason to believe at the time that such known **Wrongful Act** could reasonably be expected to give rise to such **Claim**; or

- I. for that portion of **Loss** which is covered under any other Coverage Section of this **Policy**.
2. **Insurer** shall not be liable to make any payment under this Coverage Section, other than **Costs, Charges and Expenses**, on account of any **Claim**:
 - a. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving the actual or alleged breach of any contract or agreement; provided, except to the extent that liability would have attached to the **Sponsor Organization** the absence of such contract or agreement, or where the liability was assumed in accordance with or under the trust agreement or equivalent document pursuant to which any of the **Plans** was established;
 - b. alleging, based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving, any actual or attempted reversion or payment of assets of any of the **Plans** to the **Sponsor Organization**, or to any successor or assign of the **Sponsor Organization**;
 - c. for or which seeks or constitutes fines or penalties or the multiple portion of any multiplied damage award, other than the five percent (5%) or less, or the twenty percent (20%) or less, civil penalties imposed upon any of the **Insureds** as a fiduciary under Section 502(i) or (l), respectively, of the Employee Retirement Income Security Act of 1974, as amended;
 - d. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, the failure to collect from the **Sponsor Organization** contributions owed to any of the **Plans**, or the failure to fund a **Plan** in accordance with the Employee Retirement Income Security Act of 1974, as amended, or any similar state or local common or statutory law, and any rules and regulations promulgated thereunder, unless the failure is solely due to the negligence of any of the **Insureds**; or
 - e. which constitutes benefits due to or to become due under the terms of any **Plan** if such **Plan** complied with all applicable laws, unless and to the extent that:
 - i. the **Insured** is a natural person and the benefits are payable by such **Insured** as a personal obligation; and
 - ii. recovery for the benefits is based upon a covered **Wrongful Act**.

No **Wrongful Act** of one or more **Insureds** shall be imputed to any other **Insureds** for the purpose of determining the applicability of any of the above exclusions.

D. **LIMIT OF LIABILITY AND RETENTIONS**

1. The liability of the **Insurer** shall apply only to that part of **Loss** which is excess of the Retention amounts applicable to this Coverage Section, as shown in Item 3. of the Declarations. Such Retentions shall be borne uninsured by the **Insureds** and at their own risk. If different parts of a single **Claim** are subject to different applicable Retentions under this Coverage Section, the applicable Retentions will be applied separately to each part of such **Loss**, but the sum of such Retentions shall not exceed the largest applicable Retention.
2. The amount shown in Item 3. of the Declarations relating to this Coverage Section shall be the maximum aggregate Limit of Liability of **Insurer** under this Coverage Section.
3. All **Claims** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** shall be deemed to constitute a single **Claim** and shall be deemed to have been made at the earliest of the following times, regardless of whether such date is before or during the **Policy Period**:
 - a. the time at which the earliest **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Act** is first made; or
 - b. the time at which the **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to have been made pursuant to Section E.2., below.
4. Payments of **Loss**, other than **Costs, Charges and Expenses** by **Insurer** shall reduce the Limit of Liability under this Coverage Section. **Costs, Charges and Expenses** are not part of and are in addition to the Limit of Liability. Payment of **Costs, Charges and Expenses** by the **Insurer** does not

reduce the Limit of Liability. If such Limit of Liability is exhausted, the obligations of the **Insurer** under this Coverage Section are completely fulfilled and extinguished.

E. NOTIFICATION

1. The **Insureds** shall, as a condition precedent to their rights to payment under this Coverage Section only, give **Insurer** written notice of any **Claim** as soon as practicable, but in no event later than sixty (60) days after the end of the **Policy Period**, whichever is later. If any **Claim** is first made against the **Insureds** during the **Extended Period**, if purchased, written notice to **Insurer** must be given as soon as practicable, but in no event later than sixty (60) days after the end of the **Extended Period**.
2. If, during the **Policy Period** or the **Discovery Period**, if purchased, any of the **Insureds** first becomes aware of a specific **Wrongful Act** which may reasonably give rise to a future **Claim** covered under this **Policy**, and if the **Insureds**, during the **Policy Period** or the **Discovery Period**, if purchased, give written notice to **Insurer** as soon as practicable of:
 - a. a description of the **Wrongful Act** allegations anticipated;
 - b. the identity of the potential claimants;
 - c. the circumstances by which the **Insureds** first became aware of the **Wrongful Act**;
 - d. the identity of the **Insureds** allegedly involved;
 - e. the consequences which have resulted or may result; and
 - f. the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such **Wrongful Act** shall be deemed for the purposes of this Coverage Section to have been made at the time such notice was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such **Wrongful Act** results in a **Claim**.

3. Notice to **Insurer** shall be given to the address shown under Item 8. of the Declarations for this **Policy**.

F. SETTLEMENT AND DEFENSE

1. It shall be the duty of the **Insurer** and not the duty of the **Insureds** to defend any **Claim**. Such duty shall exist even if any of the allegations are groundless, false or fraudulent. The **Insurer's** duty to defend any **Claim** shall cease when the Limits of Liability have been exhausted.
2. The **Insurer** may make any investigation it deems necessary, and shall have the right to settle any **Claim**; provided, however, no settlement shall be made without the consent of the **Parent Company**, such consent not to be unreasonably withheld.
3. The **Insureds** agree not to settle or offer to settle any **Claim**, incur any **Costs, Charges and Expenses** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld. The **Insurer** shall not be liable for any settlement, **Costs, Charges and Expenses**, assumed obligation or admission to which it has not consented. The **Insureds** shall promptly send to the **Insurer** all settlement demands or offers received by any **Insured** from the claimant(s).
4. The **Insureds** agree to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** reasonably requests and agree that, in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the position of the **Insurer** or its potential or actual rights of recovery.

G. OTHER INSURANCE

If any **Loss** covered under this Coverage Section is covered under any other valid and collectible insurance, then this **Policy** shall cover the **Loss**, subject to its terms and conditions, only to the extent that the amount of the **Loss** is in excess of the amount of such other insurance whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limit of Liability for this Coverage Section.

H. WAIVER OF RECOURSE

Insurer shall have no right of recourse, including but not limited to rights of contribution and subrogation, against any **Insureds** with respect to any **Claim** if this Coverage Section has been purchased by that **Insured**, with the exception of any of the **Plans**.

Scottsdale Indemnity Company			Endorsement No. 1
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADD DEFINITION OF INSURED PERSON

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section **B. DEFINITIONS**, subsection **4.**:

Insured Persons means all persons who were, now are or shall become:

individuals working for the **Organization** in the following positions:

1. Student Interns
2. Alumni Council Members
3. Outside Education Association Representative
- 4.
- 5.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 2
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL PARENT ORGANIZATION

The following is added to Item 1. Parent Organization, of the Declarations:

Any entity or organization that authorizes the Organization to operate as a charter school pursuant to the applicable state law governing charter schools; provided, however, any coverage under this Policy for any such entity or organization shall be limited solely to any Loss resulting from any Wrongful Act actually or allegedly committed by any other Insured

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 3
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADVISORY BOARD EXTENSION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section **B. DEFINITIONS**, subsection **4.**:

Insured Persons means all persons who were, now are or shall become:

members of the Advisory Board of the Organization.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 4
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ALLOCATION PROVISION

This endorsement modifies insurance provided under the following:

GENERAL TERMS AND CONDITIONS COVERAGE SECTION

The following Section P, **ALLOCATION**, is added to the General Terms and Conditions Section.

P. ALLOCATION

1. In the event the **Insurer** has the duty to defend a **Claim** under any Coverage Section in which both **Loss** that is covered by the applicable Coverage Section and loss which is not covered by the applicable Coverage Section is incurred, either because such **Claim** includes both covered and uncovered matters or because such **Claim** is made against both covered and uncovered parties, then:
 - a. this **Policy** shall pay one hundred percent (100%) of **Costs, Charges and Expenses** incurred by such **Insured** on account of such **Claim**; and
 - b. there shall be a fair and equitable allocation of any remaining loss incurred by such **Insured** on account of such **Claim** between covered **Loss** and uncovered loss based upon the relative legal and financial exposures and the relative benefits obtained.
2. In the event the **Insured** has the duty to defend a **Claim** under any Coverage Section in which both **Loss** that is covered by the applicable Coverage Section and loss which is not covered by the applicable Coverage Section is incurred, either because such **Claim** includes both covered and uncovered matters or because such **Claim** is made against both covered and uncovered parties, then the **Insured** and the **Insurer** shall use their best efforts to determine a fair and proper allocation as between such insured and uninsured loss, taking into account the relative legal and financial exposures and the relative benefits obtained.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 5
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND CONDUCT EXCLUSION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

In consideration of the premium paid, it is agreed that section C., **EXCLUSIONS**, subsection 6. is deleted in its entirety and replaced by the following:

6. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a. any dishonest, deliberately criminal or fraudulent act committed by an **Insured**, if established by a final non-appealable adjudication in the underlying action or proceeding; or
 - b. any personal profit, remuneration or other financial advantage gained by an **Insured Person** to which such **Insured Person** is not legally entitled, if established by a final non-appealable adjudication in the underlying action or proceeding.

When 6.a. or 6.b. applies, the **Insured** shall reimburse the **Insurer** for any **Costs, Charges or Expenses**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 6
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND CONDUCT EXCLUSION-FOREIGN JURISDICTION-CALIFORNIA

In consideration of the premium paid, it is agreed that this endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section C., **EXCLUSIONS**, subsection 6. is deleted in its entirety and replaced by the following:

alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:

- a. any dishonest, deliberately fraudulent or criminal act of an **Insured**; or
- b. the gaining of any profit, remuneration or financial advantage to which any **Insured Persons** were not legally entitled;

if established by a final, non-appealable adjudication in such **Claim** or a guilty plea or other written admission under oath by such **Insured**; provided, however, exclusion a. shall not apply to any such **Claim** for a criminal act made in a jurisdiction outside the United States, unless and to the extent, such criminal act under such foreign jurisdiction would be considered a criminal act under any federal, state or local law or act within any jurisdiction in the United States;

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 7
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND DEFINITION OF INSURED PERSON-LEASED/CONTRACTED EMPLOYEES

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section B., **DEFINITIONS**, subsection 4.:

Insured Person means any person who was, now is, or shall become:

any natural person who is a leased employee or is contracted to perform work for the **Organization**, or is an independent contractor for the **Organization**, but only to the extent such individual performs work or services for or on behalf of the **Organization**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 8
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND DEFINITION OF THIRD PARTY ENDORSEMENT

In consideration of the premium paid, it is agreed that this endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

Section B., **DEFINITIONS**, subsection 12. is deleted and replaced by the following:

12. **Third-Party** means any customer, client, or other natural person other than an **Employee** or applicant for employment with the **Organization**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 9
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND DISCOVERY ELECTION - 90 DAYS

This endorsement modifies insurance provided under the following:

GENERAL TERMS AND CONDITIONS

Section H., **DISCOVERY PERIOD**, subsection 2., is replaced by:

2. As a condition precedent to the right to purchase the **Discovery Period** set forth in subsection H.1. above, the total premium for the **Policy** must have been paid. Such right to purchase the **Discovery Period** shall terminate unless written notice, together with full payment of the premium for the **Discovery Period**, is received by **Insurer** within ninety (90) days after the effective date of cancellation, or, in the event of a refusal to renew, within ninety (90) days after the **Policy** expiration date. If such notice and premium payment is not so given to **Insurer**, there shall be no right to purchase the **Discovery Period**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 10
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND INSURED VERSUS INSURED EXCLUSION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section C., **EXCLUSIONS**, subsection 5., is amended by adding the following:

is brought or maintained by any former director or officer of the **Organization** and where such **Claim** is solely based upon and arising out of **Wrongful Acts** committed subsequent to the date such director or officer ceased to be a director or officer of the **Organization** and where such **Claim** is first made two (2) years subsequent to the date such director or officer ceased to be a director or officer of the **Organization**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 11
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND NOTICE OF CIRCUMSTANCES

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

Section E., **NOTIFICATION**, subsection 2. is replaced by:

2. If during the **Policy Period** or the **Discovery Period**, if purchased, any of the **Insureds** first become aware of specific facts or circumstances which may reasonably give rise to a future **Claim** covered under this **Policy**, and if the **Insureds**, during the **Policy Period** or the **Discovery Period**, if purchased, give written notice to **Insurer** as soon as practicable of:
 - a. a description of the facts, circumstances, or allegations anticipated;
 - b. the identity of potential claimants;
 - c. the circumstances by which the **Insureds** first became aware of the facts or circumstances;
 - d. the identity of the **Insureds** allegedly involved;
 - e. the consequences which have resulted or may result; and
 - f. the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such facts or circumstances shall be deemed for the purposes of this Coverage Section to have been made at the time such notices was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such facts or circumstances results in a **Claim**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 12
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND NOTICE OF CIRCUMSTANCES

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section E., **NOTIFICATION**, subsection 2. is replaced by:

2. If during the **Policy Period** or the **Discovery Period**, if purchased, any of the **Insureds** first become aware of specific facts or circumstances which may reasonably give rise to a future **Claim** covered under this **Policy**, and if the **Insureds**, during the **Policy Period** or the **Discovery Period**, if purchased, give written notice to **Insurer** as soon as practicable of:
- a. a description of the facts, circumstances, or allegations anticipated;
 - b. the identity of potential claimants;
 - c. the circumstances by which the **Insureds** first became aware of the facts or circumstances;
 - d. the identity of the **Insureds** allegedly involved;
 - e. the consequences which have resulted or may result; and
 - f. the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such facts or circumstances shall be deemed for the purposes of this Coverage Section to have been made at the time such notices was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such facts or circumstances results in a **Claim**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 13
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND NOTICE PROVISION - CHARTER SCHOOL PROGRAM - EPL

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

The following is added to Section **E. NOTIFICATION**:

A **Claim** shall be deemed to have been first made against the **Insureds** on the date an **Insured** who is an executive officer, director, trustee, business officer, or Superintendent, or general counsel or human resources director (or equivalent positions) of any **Organization** becomes aware of such **Claim**.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 14
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND NOTICE PROVISION - CHARTER SCHOOL PROGRAM - INSURED PERSON AND ORGANIZATION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section **E. NOTIFICATION**:

A **Claim** shall be deemed to have been first made against the **Insureds** on the date an **Insured** who is an executive officer, director, trustee, business officer, Superintendent or general counsel (or equivalent position) of any **Organization** becomes aware of such **Claim**.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 15
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND NOTICE PROVISION - EPL

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

The following is added to Section **E. NOTIFICATION**:

A **Claim** shall be deemed to have been first made against the **Insureds** on the date an **Insured** who is an executive officer, or a director, trustee, general counsel or human resources director (or equivalent positions) of any **Organization** becomes aware of such **Claim**.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 16
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND NOTICE PROVISION - INSURED PERSON AND ORGANIZATION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section **E. NOTIFICATION**:

A **Claim** shall be deemed to have been first made against the **Insureds** on the date an **Insured** who is an executive officer, or a director, trustee, or general counsel (or equivalent position) of any **Organization** becomes aware of such **Claim**.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 17
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND NOTICE PROVISION 60 DAYS - EPL

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

Section E., **NOTIFICATION**, subsection 1. is replaced by:

The **Insureds** shall, as a condition precedent to their rights to payment under this Coverage Section only, give **Insurer** written notice of any **Claim** as soon as practicable, but in no event later than sixty (60) days after the end of the **Policy Period**. If any **Claim** is first made against the **Insureds** during the **Extended Period**, if purchased, written notice to **Insurer** must be given as soon as practicable, but in no event later than sixty (60) days after the end of the **Extended Period**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 18
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND OTHER INSURANCE TO BE PRIMARY

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section G., **OTHER INSURANCE**, is replaced by:

G. OTHER INSURANCE

For any **Claim**, if any **Loss** covered under this Coverage Section is covered under any other valid and collectable insurance, then this **Policy** shall be primary insurance, unless expressly written to be excess over other applicable insurance.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 19
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND SUBROGATION PROVISION - FINAL JUDGMENT

This endorsement modifies insurance provided under the following:

GENERAL TERMS AND CONDITIONS SECTION

Section M., **ASSISTANCE, COOPERATION AND SUBROGATION**, is deleted in its entirety and replaced by the following:

M. ASSISTANCE, COOPERATION AND SUBROGATION

The **Insureds** agree to provide **Insurer** with such information, assistance and cooperation as **Insurer** reasonably may request, and they further agree that they shall not take any action which in any way increases **Insurer's** exposure under this **Policy**. In the event of any payments under this **Policy**, **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds'** rights of recovery against any person or entity. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable **Insurer** effectively to bring suit or otherwise pursue subrogation in the name of the **Insureds**, and shall provide all other assistance and cooperation which **Insurer** may reasonably require. In no event, however, shall the **Insurer** exercise its right of subrogation against an **Insured** under this **Policy** unless such **Insured** has been convicted of a deliberate criminal act; or has committed a deliberate fraudulent act, if a final judgment establishes that such deliberate fraudulent act was committed; or has obtained any profit or advantage to which a final judgment establishes the **Insured** was not legally entitled.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 20
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND WARRANTY PROVISION - NON-RESCINDABLE COVERAGE

This endorsement modifies insurance provided under the following:

GENERAL TERMS AND CONDITIONS

Under Section **D. WARRANTY**, paragraph **2.** is replaced by:

2. In the event the **Application**, including materials submitted or required to be submitted therewith, contains any misrepresentation or omission made with the intent to deceive, or contains any misrepresentation or omission which materially affects either the acceptance of the risk or the hazard assumed by the **Insurer** under this **Policy**, this **Policy**, including each and all Coverage Sections, shall not afford coverage to the following **Insureds** for any **Claim** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, any untruthful or inaccurate statements, representations or information:
 - a. any **Insured** who is a natural person and who knew the facts misrepresented or the omissions, whether or not such individual knew of the **Application**, such materials, or this **Policy**;
 - b. any **Organization** or **Sponsor Organization** to the extent it indemnifies any **Insured** referred to in subsection a. above; and
 - c. any **Organization, Sponsor Organization, Plan**, or any other entity that is an **Insured**, if any past or present chief executive officer, chief financial officer, general counsel, risk manager or human resources director (or equivalent positions) of the **Parent Organization** knew the facts misrepresented or the omissions, whether or not such individual knew of the **Application**, such materials, or this **Policy**.

With respect to any statement, representation or information contained in the **Application**, or in the materials submitted or required to be submitted therewith, and solely with respect to the above exclusion, no knowledge possessed by any **Insured** who is a natural person shall be imputed to any other **Insured** who is a natural person.

The following condition is added:

NON-RESCINDABLE

The **Insurer** shall not be entitled under any circumstances to rescind any Coverage Section of this **Policy** with respect to any **Insured**. Nothing contained in this section shall limit or waive any other rights or remedies available to the **Insurer**.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 21
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT - CALIFORNIA

This endorsement modifies insurance provided under the following:

GENERAL TERMS AND CONDITIONS

The following is added to Section E., **CANCELLATION**:

If the **Insurer** chooses to non-renew this **Policy**, or to condition renewal upon a reduction of the **Policy's** applicable Limits of Liability, an elimination of coverage, an increase in Retention or an increase of more than twenty-five percent (25%) of the current **Policy's** premium, the **Insurer** will deliver or mail to the **Parent Organization** and to its agent of record, if any, written notice stating such at least sixty (60) days and not more than one hundred twenty (120) days before the expiration date of the **Policy Period**, plus:

1. five (5) days for mailing to an addressee in California (sixty-five [65] to one hundred twenty-five [125] days);
2. ten (10) days for an addressee outside California (seventy [70] to one hundred thirty [130] days; or
3. twenty (20) days for an addressee outside the U.S.A. (eighty [80] to one hundred forty [140] days).

Proof of mailing is sufficient proof of notice.

Scottsdale Indemnity Company			Endorsement No. 22
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED INSURED PERSONS VERSUS ORGANIZATION

In consideration of the premium paid, it is agreed that this endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section C., **EXCLUSIONS**, subsection 5. is deleted in its entirety and replaced with the following:

5. brought or maintained by, on behalf of, in the right of, or at the direction of the **Organization** in any capacity, unless such **Claim**:
 - a. is brought derivatively on behalf of such **Organization** and is instigated and continued totally independent of, and totally without the solicitation, assistance, active participation of, or intervention of, any **Insured**; or
 - b. is brought or maintained by any **Insured** in the form of a cross-claim, third-party claim or other proceeding for contribution or indemnity which is part of, and directly results from a **Claim** that is covered by this Coverage Section;

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 23
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED INSURED VERSUS INSURED EXCLUSION - FOREIGN JURISDICTION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section C., **EXCLUSIONS**, is amended by adding the following to subsection 5.:

is brought or maintained in a jurisdiction outside the United States of America, Canada or Australia by any **Insured Persons** of the **Organization** solely where such **Organization** is domiciled or chartered in such foreign jurisdiction;

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 24
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED INSURED VERSUS INSURED EXCLUSION WHISTLEBLOWER CARVEBACK

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section C., **EXCLUSIONS**, subsection 5.:

- is brought or maintained by an employee of the **Organization** who is not or was not a director or officer of the **Organization**, including any such **Claim** brought or maintained under the Federal False Claims Act or any similar federal, state, local or foreign "whistleblower" law or "whistleblower" provision of any law.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 25
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED INSURED VERSUS INSURED EXCLUSION WITH CREDITOR COMMITTEE CARVEBACK

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section C., **EXCLUSIONS**, subsection 5., is amended by adding the following:

- is brought or maintained by any bankruptcy trustee or bankruptcy appointed representative of the **Organization**, or creditors committee of the **Organization**, or any assignee thereof;

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 26
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

It is agreed that the Limit(s) of Liability section is amended by adding the following: Notwithstanding anything in this policy to the contrary, if aggregate Insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and the Insurer has met its deductible under the Terrorism Risk Insurance Act, the Insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case Insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury. Certified Act of Terrorism means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a Certified Act of Terrorism include the following: The act resulted in Insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. All other terms and conditions of this policy remain unchanged

Scottsdale Indemnity Company			Endorsement No. 27
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COST OF INVESTIGATIONS COVERAGE

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

It is agreed that:

The following is added to Section B., **DEFINITIONS**:

Cost of Investigation means reasonable and necessary legal costs, charges, fees and expenses incurred by any of the **Insureds** in investigating a written demand, by one or more of the securities holders of the **Organization** upon the board of directors, the management board of the **Organization** or the **Organization**, to bring a civil proceeding, including any derivative action, against any of the directors and officers on behalf of the **Organization**.

The following is added to Section B., **DEFINITIONS**, subsection 1.:

a written demand, by one or more of the securities holders of the **Organization** upon the board of directors, the management board of the **Organization** or the **Organization**, to bring a civil proceeding, including any derivative action, against any of the directors and officers on behalf of the **Organization**.

Section B., **DEFINITIONS**, subsection 3. is deleted in its entirety and is replaced by:

3. **Costs, Charges and Expenses** means:

a. reasonable and necessary legal costs, charges, fees and expenses incurred by any of the **Insureds** in defending **Claims** and the premium for appeal, attachment or similar bonds arising out of covered judgments, but with no obligation to furnish such bonds and only for the amount of such judgment that is up to the applicable Limit of Liability and;

b. cost of investigation.

Costs, Charges and Expenses do not include salaries, wages, fees, overhead or benefit expenses of or associated with officers or employees of the **Organization**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 28
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CRISIS FUND FOR NON-PROFITS - CRISIS COMMUNICATIONS MANAGEMENT INSURANCE

In consideration of the additional premium paid of \$1578, it is agreed that this endorsement modifies insurance provided under the following.

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

I. Section A., **INSURING CLAUSE**, is amended by adding the following Insuring Clause:

◦ **CRISIS MANAGEMENT COVERAGE**

This **Policy** shall pay the **Crisis Management Loss** of the **Organization** arising from a **Crisis Management Event** first commencing during the **Policy Period**.

II. Solely with respect to the coverage provided by this endorsement, Section B., **DEFINITIONS**, is amended to include the following:

- **Material Effect** shall mean the publication of unfavorable information regarding the **Organization** which can reasonably be considered to lessen public confidence in the competence of the **Organization**. Such publication must occur in either:

1. A daily newspaper of general circulation; or
2. A radio, television or internet news report on an **Organization**.

- **Crisis Management Event** shall mean one of the following events which, in the good faith opinion of the **Organization**, did cause or is reasonably likely to cause, a **Material Effect**:

1. Management Crisis:

The death, incapacity or criminal indictment of any director, trustee or officer, including, but not limited to, the executive director, of the **Organization**, or any employee of the **Organization** on whom the **Organization** maintains key person life insurance.

2. Member Abuse:

The public announcement or accusation that an individual under the management control of the **Organization** has intentionally caused bodily injury to, or death of, a member or proposed member of the **Organization**, or has sexually abused a member of the **Organization**.

3. Debt default:

The public announcement that the **Organization** has defaulted or intends to default on its debt.

4. Bankruptcy:

The public announcement that the **Organization** intends to file for bankruptcy protection or that a third-party is seeking to file for involuntary bankruptcy on behalf of the **Organization**, or the imminence of bankruptcy proceedings, whether voluntary or involuntary.

5. Contribution Revocation:

The withdrawal or return of any non-governmental grant, contribution or bequest in excess of \$500,000.

For the purpose of this endorsement, a **Crisis Management Event** shall first commence when the **Organization** or any of its directors or executive officers shall first become aware of the event during the **Policy Period** and shall conclude at the earliest of the time when the **Crisis Management Firm** advises the **Organization** that the crisis no longer exists or when the **Crisis Management Fund Sub-limit** has been exhausted.

- **Crisis Management Firm** shall mean any public relations firm, crisis management firm or law firm hired by the **Organization** or its directors, officers or employees to perform **Crisis Management Services** in connection with a **Crisis Management Event**, the selection of which has been consented to by the **Insurer**, which consent shall not be unreasonably withheld.
- **Crisis Management Loss** shall mean the following amounts incurred during the pendency of or within ninety (90) days prior to and in anticipation of, the **Crisis Management Event**, regardless of whether a **Claim** is ever made against an **Insured** arising from the **Crisis Management Event** and, in the case where a **Claim** is made, regardless of whether the amount is incurred prior to or subsequent to the making of the **Claim**:
 1. Amounts for which the **Organization** is legally liable for the reasonable and necessary fees and expenses incurred by a **Crisis Management Firm** in the performance of **Crisis Management Services** for the **Organization** arising from a **Crisis Management Event**; and
 2. Amounts for which the **Organization** is legally liable for the reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees or agent of the **Organization** or the **Crisis Management Firm**, in connection with the **Crisis Management Event**.
- **Crisis Management Services** means those services performed by a **Crisis Management Firm** in advising the **Organization** or any of its directors, officers or employees on minimizing the potential harm to the **Organization** arising from the **Crisis Management Event**, including, but not limited, to maintaining and restoring public confidence in the **Organization**.

III. Solely with respect to the coverage provided by this endorsement, Section B., **DEFINITIONS**, 7. **Loss** is amended as follows:

- **Loss** shall include **Crisis Management Loss**.

IV. Solely with respect to the coverage provided by this endorsement, Section C., **EXCLUSIONS**, is amended by adding the following:

- alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - any **Claim** which has been reported, or any circumstances of which notice has been given, under any policy of which this **Policy** is a renewal or replacement or which it may succeed in time;

- any pending or prior litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry, including any investigation by the U.S. Department of Labor or the U.S. Equal Employment Opportunity Commission, filed or pending as of 9/10/2019;
- any fact, circumstance, situation, transaction or event underlying or alleged in such litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry, including any investigation by the U.S. Department of Labor or the U.S. Equal Employment Opportunity Commission; or
- the hazardous properties of nuclear materials.

V. Solely with respect to this endorsement, the following is added to Section D., **LIMIT OF LIABILITY AND RETENTIONS**:

- **Crisis Management Fund Sublimit**: \$10,000
- The limit of the **Insurer's** liability for **Crisis Management Loss** arising from all **Crisis Management Events** occurring during the **Policy Period**, in the aggregate, shall be the amount set forth in this endorsement as the **Crisis Management Fund Sublimit**. This sublimit shall be the maximum liability of the **Insurer** under this endorsement, regardless of the number of **Crisis Management Events** occurring during the **Policy Period**, provided however, that this single **Crisis Management Fund Sublimit** shall be part of and not in addition to the Limit of Liability maximum aggregate for this Coverage Section stated in Item 3.1. of the Declarations, which shall in all events be the maximum liability of the **Insurer** for all **Loss** under this **Policy**.
- There shall be no retention amount applicable to **Crisis Management Loss**.

VI. Solely with respect to this endorsement, the following is added to Section E., **NOTIFICATION**:

- An actual or anticipated **Crisis Management Event** shall be reported to the **Insurer** as soon as practicable, but in no event later than thirty (30) days after the **Organization** first incurs **Crisis Management Loss** for which the coverage will be requested under this endorsement.

VII. Solely with respect to this endorsement, Section F., **SETTLEMENT AND DEFENSE**, is amended as follows:

- There shall be no requirement for the **Organization** to obtain prior written approval of the **Insurer** before incurring any **Crisis Management Loss**, provided that the **Crisis Management Firm** selected by the **Organization** to perform the **Crisis Management Services** has been approved by the **Insurer**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 29
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYED LAWYERS EXTENSION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section B.4.:

Employed Lawyers of the **Organization**

The following definition is added to Section B.:

Employed Lawyers means:

employees of the **Organization** who:

1. are admitted to practice law in one or more jurisdictions in the United States of America; and
2. are employed within the **Organization's** office of the general counsel or its functional equivalent; and
3. acting solely in the capacity of providing professional legal services to the **Organization**.

An individual shall not be deemed to be an **Employed Lawyer** to the extent such individual renders or rendered professional legal services to persons or entities other than the **Insureds**.

Scottsdale Indemnity Company			Endorsement No. 30
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE PRIVACY COVERAGE WITH SUB-LIMIT

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

It is agreed that the Employment Practices Coverage Section is amended as follows:

1. Section A., **INSURING CLAUSES**, is amended by adding the following:

Employee Privacy Insuring Clause

Insurer shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of an **Employee Privacy Claim** first made against the **Insureds** during the **Policy Period** and reported to the **Insurer** pursuant to subsection E.1. herein, for a **Privacy Wrongful Act** taking place prior to the end of the **Policy Period**.

Cost of Employee Notification Insuring Clause

Insurer shall pay the **Cost of Employee Notification** of the **Insureds** resulting from an **Employee Personal Information Breach** first discovered during the **Policy Period** and reported to the **Insurer** pursuant to subsection E.4. added below.

2. Section B., **DEFINITIONS**, subsection 1. is amended by adding the following:

Employee Privacy Claim

3. Section B., **DEFINITIONS**, subsection 10. is amended by adding the following:

- **Loss** also includes **Cost of Employee Notification**

4. Section B., **DEFINITIONS**, subsection 15. is amended by adding the following:

Privacy Wrongful Act.

5. Section B., **DEFINITIONS**, is amended by adding the following:

Cost of Employee Notification means:

- a. any reasonable and necessary cost or expense of the **Organization** to notify any **Employee** of any **Employee Personal Information Breach** as required under any **Privacy Act**; and

- b. the cost to notify and monitor the credit reports of any **Employee** who has been the subject of an **Employee Personal Information Breach** for the length of time as set forth under any **Privacy Act**.

Employee Personal Information means any personal information not available to the general public of any **Employee** where such non-public personal information can be used to identify such natural person and where such non-public information is solely in the custody, care or control of the **Organization** or another entity at the direction and consent of the **Organization**. Such **Personal Information** shall include, but not be limited to a natural person's name, address, telephone number, date of birth, social security number, account number, history of account transactions, account balance, account relationships, credit card number, medical records, medical history and any other non-public personal information as set forth in any **Privacy Act**.

Employee Personal Information Breach means:

- a. the unauthorized acquisition, access, use, physical taking, identity theft, mysterious disappearance, release, distribution or disclosure of **Employee Personal Information** which compromises the security or privacy of such **Employee Personal Information**, including, but not limited to:
 - i. the unauthorized and fraudulent taking of **Employee Personal Information** by reason of a breach or failure of any hardware, software, or firmware the **Organization** owns, leases or controls on premises or elsewhere or the similar technology of another entity that controls, maintains or stores **Employee Personal Information** at the direction and consent of the **Organization**; or
 - ii. the actual unauthorized taking of physical **Employee Personal Information** by any person, employee or entity.

Employee Privacy Claim means:

- a. a written demand against any **Insured** for monetary damages or non-monetary or injunctive relief;
- b. a civil proceeding against any **Insured** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading;
- c. an arbitration proceeding against any **Insured** seeking monetary damages or non-monetary or injunctive relief;
- d. a civil, administrative or regulatory proceeding, or a formal governmental investigation against any **Insured** commenced by the filing of a notice of charges, investigative order or similar document; or
- e. a written request to toll or waive any statute of limitations

brought by or on behalf of an **Employee** in their capacity as such and solely alleging a **Privacy Wrongful Act**.

Privacy Act means any federal, state or local statutory or common law relating solely to **Employee Personal Information** or any rules or regulations promulgated thereunder, including, but not limited to The Financial Modernization Act of 1999 ("Gramm-Leach-Bliley Act"), the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and Section 1798 of the California Civil Code.

Privacy Policy means the internal or publicly accessible written documents that set forth the policies, standards and procedures of the **Organization** for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to, **Employee Personal Information**.

Privacy Wrongful Act means:

- a. the failure of the **Organization** to timely disclose an incident or event triggering a violation of a **Privacy Act**; or
- b. failure by the **Insureds** to comply with that part of a **Privacy Policy** that specifically:
 - i. prohibits or restricts the disclosure, sharing or selling of an **Employee's Personal Information**;
 - ii. requires the **Organization** to provide access to **Employee Personal Information** or to correct incomplete or inaccurate **Employee Personal Information** after a request is made by an **Employee**; or
 - iii. mandates procedures and requirements to prevent the loss of **Employee Personal Information**.

6. Section E., **NOTIFICATION**, is amended by adding the following subsection:

- The **Insureds** shall, as a condition precedent to their rights to payment for the **Cost of Employee Notification** under this endorsement, give the **Insurer** written notice of any **Employee Personal Information Breach** as soon as practicable after the **Insured** discovers such **Employee Personal Information Breach**, but in no event later than sixty (60) days after such discovery. The **Insurer** will pay for the **Cost of Employee Notification** sustained by the **Insured** resulting from an **Employee Personal Information Breach** occurring at any time and discovered by the **Insured** during the **Policy Period**. Discovery of the **Employee Personal Information Breach** occurs when an officer, director, Insurance Manager or Risk Manager first becomes aware of facts which would cause a reasonable person to assume that an **Employee Personal Information Breach** covered by this Coverage Section has occurred, even though the exact amount or details of any **Cost of Employee Notification** may not then be known. Discovery also occurs when the **Insured** receives notice of an actual or a potential **Claim** against it alleging facts that, if true, would constitute a covered **Employee Privacy Claim** for a **Privacy Wrongful Act**.

7. The following Section is added to the Employment Practices Coverage Section:

I. DUTIES IN THE EVENT OF AN EMPLOYEE PERSONAL INFORMATION BREACH

After the **Insured** discovers an **Employee Personal Information Breach** or a situation that may result in an **Employee Personal Information Breach** that may be covered under this Endorsement, the **Insured** must:

1. submit to an examination under oath at the **Insurers** request and give the **Insurer** a sworn statement of the answers of the **Insured**;
2. provide the **Insurer** with a sworn proof of loss within forty-five (45) days after discovery which shall provide, at a minimum:
 - a. the date and circumstances surrounding discovery, including the name(s) of the person(s) making the discovery;

- b. details of how the **Employee Personal Information Breach** occurred or will occur;
 - c. the amount of actual loss known and an estimate of the total loss expected to result; and
 - d. a description of all known sources of recovery to reduce the **Cost of Employee Notification**;
- 3. provide the **Insurer** with all information, assistance and cooperation as the **Insurer** may reasonably request in the investigation of the **Employee Personal Information Breach** and corresponding **Cost of Employee Notification**;
 - 4. not incur any **Cost of Employee Notification** without the written consent of the **Insurer**; and
 - 5. notify the police or other appropriate law enforcement authority(ies) if the **Insured** has reason to believe that the **Employee Personal Information Breach** involves a violation of law.
8. Notwithstanding, Section G., **OTHER INSURANCE**, If any coverage under this endorsement is also covered under any other valid and collectable insurance, then the coverage provided by this endorsement shall be specifically excess of, and will not contribute with, such other insurance, including but not limited to any such other insurance under which there is a duty to defend.
9. The maximum aggregate Limit of Liability as a result of coverage provided by this endorsement for all **Loss** as a result of all **Employee Privacy Claims** and **Cost of Employee Notification** shall be \$10,000, which sum shall be part of and not in addition to the Limit of Liability identified in Item 3.1.a. of the Declarations relating to the Employment Practices Coverage Section, and Item 3.1.b., additional aggregate for **Costs, Charges and Expenses**, shall not be applicable to, nor available for, the coverage provided by this endorsement.
10. The Retention listed in Item 3.2.a. of the Declarations relating to the Employment Practices Coverage Section for **Employment Practices Claims** applies to each **Employee Privacy Claim** under this **Employee Privacy** Insuring Clause. The Retention amount applicable to the **Cost of Employee Notification** is an amount equal to twenty percent (20%) of the Retention listed in Item 3.2.a. of the Declarations relating to the Employment Practices Coverage Section for **Employment Practices Claims**. The Retention for the **Cost of Employee Notification** shall be applied only once for each discovery of an **Employee Personal Information Breach**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 31
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCESS BENEFIT TRANSACTION EXCISE TAX COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section B. DEFINITIONS:

Excess Benefit Transaction Excise Tax means any excise tax imposed by the Internal Revenue Service on an **Insured Person** who is an **Organization Manager** as a result of such **Insured Person's** participation in an **Excess Benefit Transaction**;

Organization Manager means "organization manager" as that term is defined in Section 4958 of the Internal Revenue Code of 1986, as amended;

Excess Benefit Transaction means an "excess benefit transaction" as that term is defined in Section 4958; and

Disqualified Person means a "disqualified person" as that term is defined in Section 4958.

Section **B. DEFINITIONS**, Section **7.**, paragraph **a.** is replaced by the following:

- a. taxes, fines or penalties other than **Excess Benefit Transaction Excise Tax**; provided, however, coverage for such **Excess Benefit Transaction Excise Tax** shall not include:
 - i. any Excess Benefit Transaction Excise Tax exceeding \$10,000;
 - ii. any Excess Benefit Transaction Excise Tax expressly prohibited in the bylaws, certificate of incorporation or other organizational documents of the **Insured Organization**;
 - iii. any excise tax imposed by the Internal Revenue Service on any **Disqualified Person** for any **Excess Benefit Transaction**.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 32
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

IMMIGRATION CLAIM ENDORSEMENT

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

I. It is agreed that the Employment Practices Coverage Section is amended as follows:

The following is added to Section A., **INSURING CLAUSES**:

Immigration Claim Insuring Clause

Insurer shall pay the **Costs, Charges and Expenses** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of an **Immigration Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E.1. herein, for an **Immigration Wrongful Act** taking place prior to the end of the **Policy Period**.

The following is added to Section B., **DEFINITIONS**, subsection 1.:

Immigration Claim.

The following is added to Section B., **DEFINITIONS**, subsection 15.:

Immigration Wrongful Act.

The following is added to Section B., **DEFINITIONS**:

Immigration Wrongful Act means any actual or alleged violation(s) of the Immigration Control Act of 1986 or any other similar federal or state laws or regulations.

Immigration Claim means any criminal investigation of any of the **Insureds** by any governmental agency for actually or allegedly hiring or harboring illegal aliens.

Solely as respects coverage provided by this endorsement, Section D., **LIMIT OF LIABILITY AND RETENTIONS**, subsection 4. is deleted in its entirety and replaced with the following:

4. Payments of **Costs, Charges and Expenses** by **Insurer** shall reduce the Limit(s) of Liability under this Coverage Section. **Costs, Charges and Expenses** are part of, and not in addition to, the Limit(s) of Liability. If such Limit(s) of Liability are exhausted by payment of **Costs, Charges and Expenses**, the obligations of the **Insurer** under this Coverage Section are completely fulfilled and extinguished.

The following is added to Section G., **OTHER INSURANCE**:

For any **Immigration Claim**, if any **Costs, Charges and Expenses** covered under this Coverage Section are covered under any other valid and collectable insurance, then this **Policy** shall be primary insurance.

II. It is agreed that the DECLARATIONS is amended as follows:

The maximum aggregate Limit of Liability for all **Costs, Charges and Expenses** as a result of all **Immigration Claims** shall be \$100,000, which sum shall be part of and not in addition to the Limit of Liability identified in Item 3.1. of the Declarations relating to the Employment Practices Coverage Section.

The following is added to Item 3., Employment Practices Coverage Section, Section 2., Retention, of the Declarations:

\$25,000 each **Immigration Claim**

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 33
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

The following is added to Section **C. EXCLUSIONS**:

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim** alleging, based upon, arising out of, or attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Sexual Misconduct**, including but not limited to any **Employment Practices Wrongful Act** relating to the employment, hiring, retention, or supervision of any person who actually or allegedly engages in **Sexual Misconduct**, reporting to authorities **Sexual Misconduct**, or the failure or alleged failure to do any of the foregoing.

The following definition is added to Section **B. DEFINITIONS**:

Sexual Misconduct means child abuse or child neglect, or any licentious, immoral or sexual behavior directed towards a minor, or any sexual abuse, sexual assault, or molestation of a minor.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 34
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED ENTITY CLAIMS EXCLUSION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section **C. EXCLUSIONS**:

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

brought by or on behalf of the following, in any capacity:

any current or former student of the Organization or any parent or legal guardian of such student where such Claim, in whole or in part, is based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged violation of the Individuals with Disabilities Education Act or any similar federal, state or local statute, regulation or common law

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 35
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED ENTITY CLAIMS EXCLUSION - EPL

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

The following is added to Section **C. EXCLUSIONS**:

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

brought by or on behalf of the following, in any capacity:

any current or former student of the Organization or any parent or legal guardian of such student where such Claim, in whole or in part, is based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged violation of the Individuals with Disabilities Education Act or any similar federal, state or local statute, regulation or common law

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 36
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OUTSIDE ENTITY COVERAGE FOR NON-PROFIT COMPANIES

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

Section **B. DEFINITIONS**, subsection **10.**, is replaced by the following:

10. Wrongful Act means:

any actual or alleged error, omission, misleading statement, misstatement, neglect, breach of duty or act, **Publisher Liability Act or Personal Injury Act** allegedly committed or attempted by any **Insured**, while acting in their capacity as such, or any matter claimed against an **Insured Person** solely by reason of his or her serving in such capacity; or

any actual or alleged error, omission, misleading statement, misstatement, neglect, breach of duty or act of any of the **Insured Persons**, while acting in their capacity as a director, officer, trustee, governor, executive director or similar position of any **Outside Entity** where such service is with the knowledge and consent of the **Organization**. In the event of a dispute between the **Organization** and **Insured Person** over whether the **Organization** had knowledge and consented to such service, the **Insurer** shall act in accordance with the decision of the **Organization**.

The following is added to **Section B. DEFINITIONS**:

Outside Entity means any non-profit company which is exempt from taxation under the Internal Revenue Code, as amended, in which any of the **Insured Persons** is, with the knowledge and consent of the **Organization**, serving as a director, officer, trustee, governor, executive director or similar position of such non-profit company.

Section **C. EXCLUSIONS**, subsection **7.**, is replaced by:

7. for the return by any of the **Insured Persons** of any remuneration paid to them without the previous approval of the appropriate governing body of the **Organization** or **Outside Entity**, which payment without such previous approval shall be held to be in violation of law;

Section **C. EXCLUSIONS**, subsection **10.**, is replaced by:

10. for a **Wrongful Act** actually or allegedly committed or attempted by any of the **Insured Persons** in his or her capacity as a director, officer, trustee, manager, member of the board of managers or equivalent executive of a limited liability company or employee of, or independent contractor for or in any other capacity or position with any entity other than the **Organization**; provided, however, that this exclusion shall not apply to **Loss** resulting from any such **Claim** solely to the extent that:
- a. such **Claim** is based on the service of any of the **Insured Persons** as a director, officer, trustee, governor, executive director or similar position of any **Outside Entity** where such service is with the knowledge and consent of the **Organization**; and
 - b. such **Outside Entity** is not permitted or required by law to provide indemnification to such **Insured Person**; and
 - c. such **Loss** is not covered by insurance provided by any of the **Outside Entity's Insurer(s)**;

Section **C. EXCLUSIONS**, subsection **13.**, is replaced by:

13. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any employment or employment-related matters brought by or on behalf of or in the right of an applicant for employment with the **Organization** or any **Insured Person**, or an applicant for employment with an **Outside Entity** or any director, officer, trustee, governor, executive director, management committee member, member of the board of managers, or employee of an **Outside Entity**;

The following is added to Section **C. EXCLUSIONS**:

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

brought or maintained by, on behalf of, in the right, or at the direction of any **Outside Entity**, or any past, present or future duly elected or appointed director, officer, trustee, governor, manager, general counsel, risk manager, management committee member, member of the board of managers, or equivalent executives of any **Outside Entity**;

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 37
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIORITY OF PAYMENTS PROVISION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following condition is added:

PAYMENT PRIORITY

If the amount of any **Loss** which is otherwise due and owing by the **Insurer** exceeds the then-remaining Limit of Liability applicable to the **Loss**, the **Insurer** shall pay the **Loss**, subject to such Limit of Liability, in the following priority:

- a. first, the **Insurer** shall pay any non-indemnifiable **Loss** covered under this Coverage Section in excess of any applicable Retention shown in Item 3. of the Declarations; and
- b. second, only if and to the extent the payment under a. above does not exhaust the applicable Limit of Liability, the **Insurer** shall pay any remaining **Loss** under this Coverage Section in excess of the Retention shown in Item 3. of the Declarations.
- c. subject to the foregoing, the **Insurer** shall, upon receipt of a written request from the Chief Executive Officer of the **Parent Organization**, delay any payment of **Loss** otherwise due and owing to or on behalf of the **Organization** until such time as the Chief Executive Officer of the **Parent Organization** designates, provided the liability of the **Insurer** with respect to any such delayed **Loss** payment shall not be increased, and shall not include any interest, on account of such delay.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 38
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL SERVICES ERRORS AND OMISSIONS EXCLUSIONS

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section **C. EXCLUSIONS**:

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

alleging, based upon, arising out of, or attributable to, directly or indirectly resulting from, in consequence of, or in any way involving the rendering or failure to render professional services.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 39
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REMOVAL OF ALTERNATIVE DISPUTE RESOLUTION PROVISION

This endorsement modifies insurance provided under the following:

GENERAL TERMS AND CONDITIONS

Section **K. ALTERNATIVE DISPUTE RESOLUTION**, is deleted in its entirety.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 40
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SEXUAL MISCONDUCT, CHILD ABUSE, NEGLECT EXCLUSION

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section **C. EXCLUSIONS**:

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

alleging, based upon, arising out of, or attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Sexual Misconduct**, child abuse, or neglect, including but not limited to employment, supervision, reporting to authorities, failure to so report or retention of any person.

The following is added to Section **B. DEFINITIONS**:

Sexual Misconduct means any licentious, immoral or sexual behavior, sexual abuse, sexual assault, or molestation intended to lead to or culminating in any attempted or actual sexual act.

All other terms and conditions of this Policy remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 41
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

STATE AMENDATORY INCONSISTENT

This endorsement modifies insurance provided under the following:

GENERAL TERMS AND CONDITIONS

It is agreed that in the event there is an inconsistency between a state amendatory endorsement attached to this **Policy** and any term or condition of this **Policy**, then where permitted by law, the **Insurer** shall apply those terms and conditions of either the amendatory endorsement or the **Policy** which are more favorable to the **Insured**.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 42
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOLLING OR WAIVING THE STATUTE OF LIMITATIONS

This endorsement modifies insurance provided under the following:

INSURED PERSON AND ORGANIZATION COVERAGE SECTION

The following is added to Section B., **DEFINITIONS**, subsection 1.

- f. a written request received by the **Insureds** to toll or waive the statute of limitations regarding a potential **Claim**. Such **Claim** shall be commenced by the receipt of such request.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 43
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VOLUNTARY COMPLIANCE PROGRAM EXTENSION

This endorsement modifies insurance provided under the following:

FIDUCIARY COVERAGE SECTION

In consideration of the premium paid, it is agreed that Item 3. of the Declarations relating to this Coverage Section is deleted in its entirety and replaced by the following:

Fiduciary Coverage Section

1. Limit of Liability

a. Limit of Liability \$1,000,000 maximum aggregate for this Coverage Section

b. Voluntary Compliance Loss and Delinquent Filers Penalties Sublimit of Liability \$100,000

2. Retention: \$0 each **Claim**

3. **Continuity Date:**

9/10/2019

4. Voluntary Compliance Program and Delinquent Filer Penalties Coverage Purchased: Yes

In consideration of the premium paid, it is agreed that Section A., **INSURING CLAUSE**, is deleted in its entirety and replaced by the following:

A. INSURING CLAUSE

1. **Insurer** shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of a **Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E.1. herein, for any **Wrongful Act** taking place prior to the end of the **Policy Period**.
2. If **Voluntary Compliance Program** and **Delinquent Filer Penalties** coverage is purchased pursuant to Item 3., section 4. of the Declarations relating to this Coverage Section, as amended in this endorsement, the **Insurer** shall pay **Delinquent Filer Penalties** assessed against an **Insured**, and **Voluntary Compliance Loss** of the **Insured** relating to a **Voluntary Compliance Notice** first given to the **Insurer** during the **Policy Period**, or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E.1. herein, for any **Wrongful Act** taking place prior to the end of the **Policy Period**.

In consideration of the premium paid, it is agreed that Section B., **DEFINITIONS**, subsection 2. is deleted in its entirety and replaced by the following:

2. **Claim** means:

- a. a written demand for damages or other relief against an **Insured**;
- b. a civil, administrative, regulatory or arbitration proceeding against any **Insured** seeking damages or other relief, commenced by the service of a complaint or similar pleading, including any appeal therefrom;
- c. a civil proceeding or formal investigation brought by the United States Department of Labor, the United States Pension Benefit Guaranty Corporation or any similar federal, state or local governmental body, including any appeal therefrom; or
- d. solely with respect to Insuring Clause A. subsection 2., if purchased, a **Voluntary Compliance Notice**.

In consideration of the premium paid, it is agreed that Section B., **DEFINITIONS**, subsection 10. is deleted in its entirety and replaced with the following:

10. **Loss** means monetary damages, judgments, settlements, pre-judgment or post-judgment interest awarded by a court, and **Costs, Charges and Expenses** incurred by any of the **Insureds** and, solely with respect to Insuring Clause A.2., if purchased, **Voluntary Compliance Loss**, which the **Insured** becomes legally obligated to pay on account of any covered **Claim** for **Wrongful Acts** to which this **Policy** applies. **Loss** does not include:

- a. taxes, fines or penalties;
- b. matters uninsurable under the laws pursuant to which this **Policy** is construed; or
- c. punitive or exemplary damages, or the multiple portion of any multiplied damage award, except to the extent that such punitive or exemplary damages or the multiple portion of any multiplied damage award are insurable under the internal laws of any jurisdiction which most favors coverage for such damages and which has a substantial relationship to the **Insureds, Insurer, this Policy** or the **Claim** giving rise to such damages.

In consideration of the premium paid, it is agreed that Section B., **DEFINITIONS**, is amended to include the following:

- **Delinquent Filer Penalties** means penalties assessed by the United States Department of Labor or the United States Internal Revenue Service under a Delinquent Filer **Voluntary Compliance Program** for inadvertent failure to file Form 5500, provided that the failure to file such Form 5500 occurred during the **Policy Period**, or during the policy period of a policy in an uninterrupted series of policies issued by the **Insurer** of which this **Policy** is a direct renewal thereof.
- **Voluntary Compliance Loss** means fines, penalties, sanctions, voluntary correction fees, compliance fees or user fees assessed against or collected from an **Insured** by the United States Internal Revenue Service pursuant to a **Voluntary Compliance Program** for the actual or alleged inadvertent non-compliance by a **Plan** with any statute, rule or regulation if participation by the **Insured** in such **Voluntary Compliance Program** results in the **Insured** obtaining a "No Action" letter from the governmental authority; provided,

however, that **Voluntary Compliance Loss** shall not include:

- i. any costs to correct the non-compliance, or any other charges, expenses, taxes or damages; or
 - ii. any fees, fines, penalties, sanctions or **Costs, Charges and Expenses** relating to a **Plan** which, as of the earlier of inception of this **Policy** or inception of the first policy in an uninterrupted series of policies issued by the **Insurer** of which this **Policy** is a direct or indirect renewal or replacement, any **Insured Person** knew to be actually or allegedly non-compliant.
- **Voluntary Compliance Notice** means prior written notice to the **Insurer** by the **Insured** of the **Insured's** intent to enter into a **Voluntary Compliance Program**.
 - **Voluntary Compliance Program** means a written agreement to correct an inadvertent **Plan** defect under a voluntary compliance resolution program or similar voluntary settlement program administered by the United States Internal Revenue Service, the United States Department of Labor or other similar governmental authority, including without limitation the Employee Plans Compliance Resolution System, the Audit Closing Agreement Program, the Voluntary Compliance Resolution Program, the Walk-in Closing Agreement Program, the Administrative Policy Regarding Self-Correction, the Tax Sheltered Annuity Voluntary Correction Program, the Delinquent Filer Voluntary Compliance Program, and the Voluntary Fiduciary Correction Program, provided, however, that such written agreement was entered into by the **Insured** with the United States Internal Revenue Service during the **Policy Period**, or during the policy period of a policy in an uninterrupted series of policies issued by the **Insurer** of which this **Policy** is a direct renewal thereof.

In consideration of the premium paid, it is agreed that Section D., **LIMIT OF LIABILITY AND RETENTIONS**, subsection 2. is deleted in its entirety and replaced by the following:

2. The amount shown in Item 3., section 1. a. of the Declarations relating to this coverage section, as amended in this endorsement, shall be the maximum aggregate Limit of Liability of the **Insurer** under this Coverage Section. However, if **Voluntary Compliance Program** coverage is purchased pursuant to Item 3., section 4. of the Declarations relating to this Coverage Section, as amended in this endorsement, the **Voluntary Compliance Loss** Sublimit of Liability set forth in Item 3., section 1.b. of the Declarations relating to this Coverage Section, as amended in this endorsement, is the **Insurer's** maximum liability for all **Voluntary Compliance Loss** resulting from all **Voluntary Compliance Notices** first given to the **Insurer** during the **Policy Period**. Such **Voluntary Compliance Loss** Sublimit of Liability is part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 3., section 1.a. of the Declarations relating to this Coverage Section, as amended in this endorsement, and in no way shall be deemed to increase the Aggregate Limit of Liability as set forth therein.

All other terms and conditions of this **Policy** remain unchanged.

Scottsdale Indemnity Company			Endorsement No. 44
Attached To And Forming Part of Policy Number	Endorsement Effective Date (12:01 A.M. Standard Time)	Named Insured	Agent No.
EK		Heartwood Charter School	29406

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAGE AND HOUR CLAIM COSTS, CHARGES AND EXPENSES ONLY ENDORSEMENT - NON-PROFIT ORGANIZATIONS

In consideration of the premium paid, it is agreed that this endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES COVERAGE SECTION

1. Section A., **INSURING CLAUSES**, is amended to include the following:

- **Wage and Hour Claim** Insuring Clause

Insurer shall pay the **Costs, Charges and Expenses** of the **Insureds** that the **Insureds** have become legally obligated to pay by reason of a **Wage and Hour Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to Section E.1. herein, for a **Wage and Hour Wrongful Act** taking place prior to the end of the **Policy Period**.

2. Section B., **DEFINITIONS**, subsection 1., **Claim**, is amended by adding the following:

- c. **Wage and Hour Claim**.

3. Section B., **DEFINITIONS**, subsection 15., **Wrongful Act**, is amended by adding the following:

- c. **Wage and Hour Wrongful Act**.

4. The following definitions are added to Section B., **DEFINITIONS**:

- **Wage and Hour Wrongful Act** means any actual or alleged violation(s) of:
 - a. the Fair Labor Standards Act of 1938 and amendments thereto, or any similar federal, state or local law governing or relating to:
 - i. the classification of **Employees** for the purpose of determining **Employees'** eligibility for compensation; or
 - ii. the payment of wages, including but not limited to the payment of overtime, minimum wages, on-call time, the donning and doffing of uniforms, rest and meal periods, reimbursement of expenses, and any other earnings, tips, reimbursement or compensation of **Employees**;
 - b. unfair business practices, unfair competition, conversion or public policy concerning, relating or arising out of any actual or alleged violations of those matters referenced in paragraph a.i. or a.ii. above.

provided, however, **Wage and Hour Wrongful Act** shall not include actual or alleged violations of the Equal Pay Act of 1963, and any amendments thereto.

◦ **Wage and Hour Claim** means:

- a. a written demand against an **Insured** for damages or other relief; or
- b. a civil, judicial, administrative, regulatory or arbitration proceeding or a formal governmental investigation against an **Insured** seeking damages or other relief, commenced by the service of a complaint or similar pleading, including any appeal therefrom, brought by or on behalf of one or more **Employees** solely alleging any **Wage and Hour Wrongful Act**, including any class action or a collective action under § 216(b) of the Fair Labor Standards Act or any similar federal, state or local law.

5. Section C., **EXCLUSIONS**, subsection 4. is deleted in its entirety and replaced by the following:

- 4. for any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, all as amended, or any rules or regulations promulgated thereunder, or similar provisions of any common or statutory federal, state or local law; provided, however, this exclusion does not apply to any such **Claim**, except a **Wage and Hour Claim**, alleging violations of the Equal Pay Act or **Retaliation**;

6. Solely with respect to coverage provided by this endorsement, Section D., **LIMIT OF LIABILITY AND RETENTIONS**, subsection 4. is deleted in its entirety and replaced with the following:

- 4. Payments of **Loss** by **Insurer** shall reduce the Limit(s) of Liability under this Coverage Section. **Costs, Charges and Expenses** are part of, and not in addition to, the Limit(s) of Liability, and payment of **Costs, Charges and Expenses** reduces the Limit(s) of Liability. If such Limit(s) of Liability are exhausted by payment of **Loss**, the obligations of the **Insurer** under this Coverage Section are completely fulfilled and extinguished.

7. Section F., **SETTLEMENT AND DEFENSE**, subsection 3. is deleted in its entirety.

8. Section G., **OTHER INSURANCE**, is amended by adding the following:

- For any **Wage and Hour Claim**, if any **Loss** covered under this Coverage Section is covered under any other valid and collectable insurance, then this **Policy** shall be primary insurance.

9. Section H., **ALLOCATION**, is deleted in its entirety.

10. Item 3. of the Declarations relating to the Employment Practices Coverage Section is amended by adding the following:

- **Sub-limit of Liability** \$100,000 maximum aggregate Limit of Liability for all **Loss** as a result of all **Wage and Hour Claims**.

provided, however, this sub-limit of liability shall be part of and not in addition to the Limit of Liability identified in Item 3.1. of the Declarations relating to the Employment Practices Coverage Section.

11. Item 3. of the Declarations relating to the Employment Practices Coverage Section, subsection 2., Retention, is amended by adding the following:

- c. \$25,000 each **Wage and Hour Claim**

All other terms and conditions of this **Policy** remain unchanged.

Underwritten by Scottsdale Indemnity Company

A Stock Insurance Company

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

PREMIUM CHARGE FOR TERRORISM COVERAGE

TERRORISM RISK INSURANCE ACT

You are hereby notified that the Terrorism Risk Insurance Act of 2002, as amended pursuant to the Terrorism Risk Insurance Program Reauthorization Act of 2019, effective January 1, 2021 (collectively referred to as "TRIA" or the "Act"), established a program within the Department of the Treasury under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. Under the Act, you have a right to purchase insurance coverage for losses arising out of acts of terrorism. As defined in Section 102(1) of the Act: The term "certified acts of terrorism" means any act that is certified by the Secretary of the Treasury -- in consultation with the Secretary of Homeland Security, and the Attorney General of the United States -- to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

DISCLOSURE OF FEDERAL SHARE OF COMPENSATION

You should know that where coverage is provided by this policy for losses resulting from "certified acts of terrorism," such losses may be partially reimbursed by the United States government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States government agrees to reimburse eighty percent (80%) of covered terrorism losses that exceed the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for terrorism coverage is provided below and does not include any charges for the portion of loss that may be covered by the federal government under the Act.

CAP ON LOSSES FROM "CERTIFIED ACTS OF TERRORISM"

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits United States government reimbursement as well as insurers' liability for losses resulting from "certified acts of terrorism" when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

CONDITIONAL TERRORISM COVERAGE

The Terrorism Risk Insurance Program Reauthorization Act of 2019 is scheduled to terminate at the end of December 31, 2027 unless renewed, extended or otherwise continued by the federal government. Should the Act terminate on December 31, 2027, or be repealed, any terrorism coverage as defined by the Act provided in the policy will also terminate.

DISCLOSURE OF PREMIUM

In accordance with the Act, we are required to offer you coverage for losses resulting from an act of terrorism that is certified under TRIA as an act of terrorism. The policy's other provisions will still apply to such an act. We are further required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act.

Your premium for certified terrorism coverage is **Amount To Be Determined**. This amount does not include any charges for the portion of losses covered by the United States government under the Act.

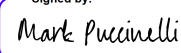
If you choose to accept this offer, this form does not have to be returned.

You may choose to reject this offer by signing the statement below and returning to us. Your policy will be changed to exclude the described coverage.

NOTE: In this state, a terrorism exclusion makes an exception for (and thereby provides coverage for) fire losses resulting from a certified act of terrorism. Therefore, if you reject the offer of terrorism coverage, that rejection does not apply to fire losses resulting from a certified act of terrorism and coverage for such fire losses will be provided in your policy.

REJECTION OF COVERAGE FOR "CERTIFIED ACTS OF TERRORISM"

	I hereby reject the purchase of certified terrorism coverage on behalf of the Policyholder/Applicant. I understand that the policy will provide no coverage for losses resulting from "certified acts of terrorism" (with the exception of fire losses resulting from a "certified act of terrorism"), and an exclusion of certain terrorism losses will be made part of this policy.
--	---

Signed by:

3DE081BE1A10458...

Policyholder / Applicant's Signature *

Heartwood Charter School

Named Insured / Business Name

Mark Puccinelli

Print Name *

Policy Number, if available

9/9/2026

Date *

*If rejected, signature required & completed form must be returned to E-Risk Services. Please contact your broker with any questions.



Heartwood Charter School

Endorsement Name EKI-99 (04/08) Extends coverage to members of the Advisory Board of the Organization.	Endorsement Title Advisory Board Extension - IPO
Endorsement Name EKI-804 (01/09) Provides 100% defense cost for claims where there is a duty to defend by the Insurer. In the case where the Insurer has a duty to defend and there are covered and uncovered matters or parties, the policy will provide 100% defense costs incurred by such Insured, all other loss will be determined based upon the relative legal and financial exposures.	Endorsement Title Allocation Provision (Non Profit)
Endorsement Name EKI-255 (08/09) Carves back coverage for suits brought by former D&O's of the Organization. As long as: Wrongful Act made after D&O no longer serving on the board And; Claim is first made two years after D&O is no longer serving on the board	Endorsement Title Amend Insured Versus Insured Exclusion (Non-Profit) - IPO Coverage Section
Endorsement Name EKI-267 (04/08) Claim is deemed first made when upper management (D&O, Trustee, General Counsel, HR Director or equivalent position) becomes aware of such claim.	Endorsement Title Amend Notice Provision (Non-Profit) - IPO Coverage Section
Endorsement Name EKI-266 (04/08) Claim is deemed first made when upper management (D&O, Trustee, General Counsel, HR Director or equivalent position) becomes aware of such claim.	Endorsement Title Amend Notice Provision - (Non-Profit) - EPL Coverage Section

Endorsement Name EKI-805 (01/09)	Endorsement Title Amend Subrogation Provision - Final Judgment
lvi carve-back coverage for Claims brought in foreign jurisdictions outside the United States, when the Company is domiciled in the foreign jurisdiction.	
Endorsement Name EKI-261 (04/09)	Endorsement Title Amend Warranty Provision Non-Rescindable Coverage (Non-Profit)
Non-rescindable for all lines of coverage.	
Endorsement Name EKI-806 (01/09)	Endorsement Title Amended Insured Versus Insured Exclusion with Creditor Committee Carveback - IPO Coverage Section
Broadens lvi carve-back coverage to include creditor committee.	
Endorsement Name EKI-269 (5-18)	Endorsement Title Crisis Fund for Non-Profits - Crisis Communications Management Insurance (Non-Profit) \$10k Crisis Fund- IPO
Endorsement Name EKI-104 (04/08)	Endorsement Title Excess Benefit Transaction Excise Tax Coverage Endorsement - IPO
Provides a \$10,000 sublimit (within the limit of liability) for taxes imposed on the Organization's Manager for approving an excess benefit to a Disqualified Person.	
Endorsement Name EKI-869 (08/09)	Endorsement Title Immigration Claim Endorsement (Non-Profit) - \$100,000 Sub-Limit - EPL Coverage Section
Provides a \$25,000 sublimit (within the limit of liability) for costs, charges and expenses on an Immigration claim.	
Endorsement Name EKI-355 (06/08)	Endorsement Title Outside Entity Coverage for Non-Profit Companies - IPO Coverage Section
Provides coverage for D&O's who sit on other Non Profit Organizations.	
Endorsement Name EKI-238 (04/08)	Endorsement Title Priority of Payments Provision (Non-Profit) - IPO Coverage Section
Non indemnifiable payments to be paid first on a loss.	

Endorsement Name	Endorsement Title
EKI-802 (01/09)	Tolling or Waiving the Statute of Limitations - IPO Coverage Section
Written request received by the Insured for either. A potential claim will be considered a claim made.	

UNITED STATES FIRE INSURANCE COMPANY

5 Christopher Way, Eatontown, NJ 07724

AMENDATORY ENDORSEMENT

This Amendatory Endorsement is attached to and made a part of your Policy. The provisions of this Amendatory Endorsement are effective on the Effective Date of your Policy and will expire concurrently with your Policy, unless otherwise terminated. In consideration of issuance, the Policy is hereby amended and modified as follows:

Effective September 10, 2026, under Policy Number US2233379 Heartwood Charter School the Policy term is amended to read as follows:

Policy Effective Date: September 10, 2026

Policy Expiration Date: September 10, 2027

Policy Number: US2282549

Premium: \$1,944.81

Except as stated herein, this Amendatory Endorsement does not change coverage in any other way and is subject to all provisions, terms, and conditions of the Policy. If there is a conflict between the Policy and this Amendatory Endorsement, the terms of this Amendatory Endorsement will govern.

Signed For **UNITED STATES FIRE INSURANCE COMPANY** By:



Marc J. Adee
Chairman and CEO

UNITED STATES FIRE INSURANCE COMPANY

5 Christopher Way, Eatontown, NJ 07724

AMENDATORY ENDORSEMENT

This Amendatory Endorsement is attached to and made a part of your Policy. The provisions of this Amendatory Endorsement are effective on the Effective Date of your Policy and will expire concurrently with your Policy, unless otherwise terminated. In consideration of issuance, the Policy is hereby amended and modified as follows:

Effective September 10, 2026, under Policy Number US2233380 Heartwood Charter School the Policy term is amended to read as follows:

Policy Effective Date: September 10, 2026

Policy Expiration Date: September 10, 2027

Policy Number: US2282550

Premium: \$1,050.00

Except as stated herein, this Amendatory Endorsement does not change coverage in any other way and is subject to all provisions, terms, and conditions of the Policy. If there is a conflict between the Policy and this Amendatory Endorsement, the terms of this Amendatory Endorsement will govern.

Signed For **UNITED STATES FIRE INSURANCE COMPANY** By:



Marc J. Adee
Chairman and CEO



Quote Proposal

Prepared for:

Heartwood Charter School

Quote Number: 8585197_Q-23

Proposal Date: 09/04/2026

This Proposal is valid until but no later than the proposed effective date.

Proposed Effective Date: 09/10/2026

This quote is subject to the following:

- See cover email for additional items required to bind coverage.

Please note:

If changes are needed, please request a revised quote.

Producer:

Arthur J. Gallagher Risk Management Services, LLC
500 N Brand, #100
GLENDALE, CA 91203

Prepared by:

Underwriter: Emily Ortiz
Branch: BHS - West

EXCLUSION - CYBER - WITH LIMITED EXCEPTION ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form part of your policy. It provides information concerning the following new exclusion which applies to your renewal policy being issued by us. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

This is to notify you that when your policy renews, the following exclusionary endorsement will be attached to your policy:

CA 83 85 - Exclusion – Cyber - With Limited Exception

When this exclusion is attached to your policy your insurance coverage is reduced, or limited; meaning this insurance does not apply to any "loss", damages, costs and expenses, either directly or indirectly because of, caused by, arising out of, or resulting from:

1. Any:
 - a. Unauthorized access to, acquisition, use, collection, copying, processing, storage, dissemination, publication or disclosure of;
 - b. Theft, alteration, misuse, loss, misappropriation, disruption of, or damage to; or
 - c. Failure to provide access to, remove, rectify, destroy, protect or secure, including, but not limited to, failure to encrypt;

any person's or organization's "confidential information", whether it is "electronic data" or in any other form or media.
2. Theft of, loss of, loss of use of, corruption or impairment of, damage to, disruption or destruction of, or inability to access, alter or manipulate "electronic data";
3. Any of the following:
 - a. Denial of service attack on;
 - b. Misappropriation, diversion, loss or misuse of; or
 - c. Denial of access to or service of, interruption of service, degradation, loss of use, alteration, failure, destruction, corruption or impairment of;

any "computer system", including any insured's or other person's or organization's "computer system".
4. Malicious code, virus or any other harmful code that:
 - a. Is directed at, enacted upon or introduced into "electronic data" or any "computer system"; or
 - b. Is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use, prevent or restrict access to, or otherwise disrupt the normal functioning or operation of "electronic data" or any "computer system".
5. Transfer, payment or delivery of money or any other form of currency, including virtual currency, in response to a fraudulent instruction or demand.
6. Demand for a ransom payment (in money, or any form of currency, including virtual currency, or property or services) made in connection with the actual or threatened perpetuation of that which is described in paragraphs 1. through 5. above.

regardless of any other cause or event that contributes concurrently or in any sequence to the liability, "loss", cost, expense, damages or injury, other than as provided below.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, payment card replacement costs, forensic expenses, public relations expenses or any other loss, cost or expense incurred

by you or others arising out of that which is described in paragraphs **1.** through **6.** above.

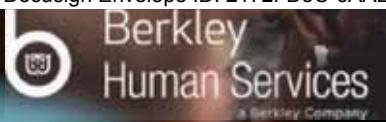
If any of that which is described in Paragraphs 1-6 results in:

- a.** The covered "auto's" collision with another object;
- b.** The covered "auto's" overturn;
- c.** The covered "auto's" fire or explosion; or
- d.** The covered "auto's" total theft, other than "loss" due to theft;

We will pay the:

- (a)** Sums an "insured" legally must pay as damages because of "bodily injury", "property damage", or "covered pollution cost or expense" that is caused by an "accident" and one or more of the causes of loss specified in 1-4 above and resulting from the ownership, maintenance or use of the covered "auto" as provided under Covered Autos Liability Coverage;
- (b)** "Loss" to a covered "auto" or its equipment that is caused by one or more of the causes of loss specified in 1-4 as provided under Physical Damage

but only if otherwise covered under the policy to which this endorsement is attached.



Why Berkley Human Services

About us

- We are a specialized company dedicated to human services organizations, both for profit and non-profit since 1989.
- Policies are written through affiliates of W. R. Berkley Corporation, all rated A+ (Superior) XV by A.M. Best Company and A+ (Strong) by Standard & Poor's.
- Coverages include General Liability, Auto, Property, Inland Marine, Crime, Professional Liability, Abuse or Molestation, Cyber Suite and Excess.
- Admitted in 46 states including District of Columbia (exceptions AK, MS, LA & WY).

Underwriting

- Dedicated underwriters focused solely on human services businesses
- Experienced underwriters with an average of 10+ years in the industry
- Underwriters are production-oriented who work alongside their broker partners to provide the best service and solutions for clients
- Our flat organizational structure allows for quick decision-making and agile responses to client needs

Claims

- Dedicated, experienced, multi-jurisdictional claims resolution specialists who pride themselves in providing superior customer service
- Experience in handling complex claims that are specific to the human services industry

Risk control

- Risk control consultants assist our customers with evaluation of risk management programs, exposures and controls with recommendations for improvement
- Over 600 safety training videos, in Spanish and English, on a variety of topics including defensive driving, active shooter, workplace violence and fire prevention
- Discounted comprehensive employee background checks through Intellicorp
- Safety First Driver Monitoring program to all qualifying policyholders for fleets over 15 trucks or vans

Risk Control Resources

Berkley Human Services offers a comprehensive suite of risk management tools and resources tailored specifically for the human services sector. Our goal is to equip your client with practical, easy-to-use solutions that align with their unique operational needs. Below is a selection of the most commonly utilized resources by our customers:

Risk Control Resources

We encourage you to explore all of the following risk management resources available:

Risk Management Center

- Powered by Succeed Management Solutions, LLC, insureds may have access to a comprehensive online safety library, training resources and software tools.*

Background Screening

- Insureds may obtain Cisive (formerly IntelliCorp) search, which includes a validated criminal database which includes nationwide sex offender and department of corrections, at a discounted rate.

Videos on demand

- Access to Safety Source's over 600 on demand safety videos in English and Spanish are available to Insureds for unlimited use.

Courses include:

- Active Shooter/Workplace Violence
- Elder/Child Abuse & Neglect
- Emergency Preparedness & Fire Safety
- Food Safety
- HIPAA
- Slips, Trips & Falls
- Working With Special Needs Children

Preventing Sexual Abuse

- Preventing sexual abuse is critical for youth serving organizations. With Abuse Prevention Systems or MinistrySafe, insureds gain access to a top-tier five-part safety system essential for effective prevention.*

Driver Monitoring

- SafetyFirst monitors drivers via vehicle decals with a 24/7 toll-free number for public feedback. Reports are quickly sent to designated contacts, and users get access to extensive training resources on the SafetyFirst website..*

StoveTop FireStop

- StoveTop Firestop is a device designed to mitigate the property damage from cooktop fires by extinguishing the fire in its incipient stage. These devices are available at a discount to Berkley Human Services customers.



To access the resources, please visit our website www.berkleyhumanservices.com/risk-management

*Available to qualifying policyholders.

Products and services are provided by one or more insurance company subsidiaries of W. R. Berkley Corporation. Not all products and services are available in every jurisdiction, and the precise coverage afforded by any insurer is subject to the actual terms and conditions of the policies as issued.

Specialized Claims Expertise

Our Claims Team

We take pride in offering in-house, dedicated and experienced multi-jurisdictional claim resolution specialists who are committed to delivering superior customer service. Our team brings deep expertise in managing claims unique to the human services sector, ensuring each case is handled promptly and professionally. We keep our partners informed of significant claim developments and work collaboratively with our customers and key vendors to provide efficient, cost-conscious claims management and resolution.

First Party and Non-Litigated Claims

First party and non-litigated claims are managed by our experienced claims team, committed to delivering responsive and knowledgeable support throughout the process.

Litigated Claims

If a claim transitions into litigation, it is assigned to our specialized litigation team. When appropriate, this team partners with experienced defense counsel, ensuring strong representation and strategic handling.

We understand the challenges facing human services organizations

At Berkley Human Services, we recognize the importance of thoughtful claims handling. We strive to connect each claim with professionals who best understand its complexity, coverage, and each customer's unique needs. In addition, where appropriate, the Berkley Human Services Claims team will engage the right vendors to meet the unique needs of each claim.

The BHS Claims team brings deep expertise in navigating challenges facing the human services industry, such as:

- Social inflation
- Third party litigation funding
- Extended statutes of limitations
- Mounting legal, financial, and reputational pressures

At Berkley Human Services, we're proud to support the human services industry and the agents and insureds who make a difference every day. Our experienced Claims team is here to help you navigate these complexities with clarity, care, and a focus on protecting those who serve others.



Billing Information

Find more information at www.berkleyhumanservices.com/billing

To Make Payments by Mail

Mail Payment to: Berkley Human Services PO Box 639813 Cincinnati, OH 45263-9813	Overnight Deliveries Only: Fifth Third Bank ATTN: 639813 5050 Kingsley Drive Cincinnati, OH 45227 MD: 1MOC1Q
---	--

Online Pay

You can pay online using Biller Direct with a checking or savings account. Go to www.berkleyhumanservices.com/billing to enroll or make a one-time payment.

- **To Enroll:** Enroll with your Account Number and Zip Code, found on *page 1* of your billing statement. Set up your User ID, Password, and checking or savings account information.
 - Before you begin making payments online, click "Activate Now" in the enrollment confirmation email
 - Enrolling online allows you to make future dates payments, recurring payments and you will receive email notifications about billing dates.

Accounting Contact Information

- Phone: (888) 762-3083
- Email: accounting@berkleyhumanservices.com

Installment Plans & Fees

Below are some of our most popular bill plans. Additional bill plans are available upon request. Please contact your Underwriter for more details.

Payment Plan	Down Payment & Installments
Full Pay	100%
2 Pay	50% down + 1 installment of 50%
3 Pay	40% down + 2 installments of 30%
4 Pay	25% down + 3 installments of 25%
6 Pay	25% down + 5 installments of 15%
6 Equal	16.75% down + 5 installments of 16.66%

An installment fee of \$5.00 is added to each billing statement if you make payments in installments. If you pay in full, no installment fee will be charged.

A late fee of \$15.00 will apply to late payments. A fee of \$25.00 will be added for any check returned for insufficient funds. A reinstatement fee of \$25.00 will apply for each policy reinstatement. Reinstatements are subject to Underwriter approval.

Fees are not refundable. A lower fee may be required by state law. If applicable in your state, the billing statement will reflect the correct fee.





Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

Premium Summary

Named Insured and Address

Heartwood Charter School
 170 Liberty School Rd
 Petaluma, CA 94952

Agency Name and Address

80875
 (818)539-2300
 Arthur J. Gallagher Risk Management Services,
 LLC
 500 N Brand, #100
 GLENDALE, CA 91203

The Proposed Policy Period is from 09/10/2026 to 09/10/2027 at 12:01 A.M. Standard Time at your mailing address shown above.

Billing Method	Direct Bill	Payment Plan	25% down + 5
-----------------------	-------------	---------------------	--------------

Line of Business	Premium	Taxes	Fees	Surcharges	Total
Commercial Property	\$214.00	\$0.00	\$0.00	\$1.00	\$215.00
General Liability	\$4,427.00	\$0.00	\$0.00	\$58.00	\$4,427.00
Abuse or Molestation Liability	\$10,444.00	\$0.00	\$0.00	\$0.00	\$10,444.00
Professional Liability	\$11,661.00	\$0.00	\$0.00	\$0.00	\$11,661.00
Commercial Auto	\$942.00	\$0.00	\$0.00	\$0.00	\$942.00
Crime	\$491.00	\$0.00	\$0.00	\$1.00	\$492.00
Total					\$28,239.00
*Total Excluding Terrorism					\$28,221.00

*Some Taxes, Fees and Surcharges are based on the total premium of the line of business, including terrorism coverage, if applicable. If terrorism coverage is excluded on this policy, your Taxes, Fees and Surcharges totals may be adjusted.

The information contained in this Quote Proposal summarizes the proposed policy and its coverages. This Quote Proposal is not intended to reflect all the terms and conditions or exclusions of the proposed policy and its coverages. The coverage afforded is subject to the terms and conditions of the policy as issued. This Quote Proposal is strictly conditioned upon no material change in the risk occurring between the date of this document and the inception date of the proposed policy. In the event of such change, we retain the right to modify or withdraw this Quote Proposal, even if accepted by the insured. Coverage is subject to the terms and conditions of the policy. This document is not an insurance policy and does not amend, alter or extend the coverage afforded by the proposed policy.



Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

LOCATION SCHEDULE

Location # 1	170 Liberty School Rd	Petaluma, California 94952
Location # 2	3125 Sir Francis Drake Blvd	Fairfax, California 94930
Location # 3	Shakespeare Festival Trip 170 Liberty School Rd	Petaluma, California 94952



Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23
Premium: \$215.00 (Taxes, Fees, and Surcharges included, if applicable)

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

Commercial Property

Scheduled Coverages

Prem. Bldg.	Coverage	Blkt.	Limit of Insurance	Cause of Loss Form	Coins.	RC / ACV	Agreed Amt.	Wind Excl.	Ded.	Wind Ded.	Premium
002 001	Business Personal Property		\$99,329	SPECIAL	100%	RC		No	\$10,000		\$163

KEY: ACV = Actual Cash Value FBV = Functional Building Valuation RC = Replacement Cost MR = Monthly Reporting AV = Agreed Value

Platinum Protector Coverage Enhancement

Coverage	Limit	Premium
Platinum Protector Coverage Enhancement	See Endorsement	\$51
Total Platinum Protector Premium		\$51

* See Platinum Protector Coverage Enhancements form for Coverages and Limits.



Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23
Premium: \$4,427.00 (Taxes, Fees, and Surcharges included, if applicable)

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

Commercial General Liability

Limits of Insurance

Limits of Insurance	
Each Occurrence Limit	\$ 1,000,000
Damage to Premises Rented to You Limit *	\$ 100,000 Any One Premises
Medical Expense Limit *	\$ 5,000 Any One Person
Personal & Advertising Injury Limit	\$ 1,000,000 Any One Person or Organization
General Aggregate Limit	\$ 3,000,000
Products-Completed Operations Aggregate Limit	\$ 3,000,000

General Liability Deductible: None

* See General Liability Broadening Endorsement for coverage enhancements/increased limits.

General Liability Schedule

Loc. #	Classification Description	Class Code	Premium Basis	Exposure	Premises	Products
1	Camps - not for profit - Products-completed operations are subject to the General Aggregate Limit	41422	Each	24	\$24	
1	Camps - not for profit - Products-completed operations are subject to the General Aggregate Limit	41422	Each	57	\$56	
1	Camps - not for profit - Products-completed operations are subject to the General Aggregate Limit	41422	Each	20	\$20	
1	Schools - public - elementary, kindergarten or junior high - Products-completed operations are subject to the General Aggregate Limit	47471	Each	120	\$1,822	
2	Schools - public - elementary, kindergarten or junior high - Products-completed operations are subject to the General Aggregate Limit	47471	Each	120	\$1,822	

3	Camps - not for profit - Products-completed operations are subject to the General Aggregate Limit	41422	Each	45	\$44	
---	---	-------	------	----	------	--

* Total General Liability Terrorism Premium is \$14 which is not included above.

Employee Benefits Liability Schedule

Retroactive Date	Limit Of Insurance		Deductible		Premium
09/10/2019	\$ 1,000,000	Each Employee	\$ 1,000	Each Employee	\$ 250
	\$ 1,000,000	Aggregate			

Cyber Suite Coverage

DATA COMPROMISE RESPONSE EXPENSES		
Data Compromise Response Expenses Limit:	\$ 50,000	Annual Aggregate
Sublimits		
1 st Party Named Malware:	\$ 50,000	Per Occurrence
Forensic IT Review:	\$ 25,000	Per Occurrence
Legal Review:	\$ 25,000	Per Occurrence
Public Relations:	\$ 10,000	Per Occurrence
Regulatory Fines and Penalties:	\$ 25,000	Per Occurrence
PCI Fines and Penalties:	\$ 25,000	Per Occurrence
Data Compromise Response Expenses Deductible:	\$ 1,000	Per Occurrence

COMPUTER ATTACK AND CYBER EXTORTION		
Computer Attack Limit:	\$ 50,000	Annual Aggregate
Sublimits		
Loss of Business:	\$ 25,000	Per Occurrence
Public Relations:	\$ 10,000	Per Occurrence
Cyber Extortion:	\$ 10,000	Per Occurrence
Computer Attack and Cyber Extortion Deductible:	\$ 1,000	Per Occurrence

DATA COMPROMISE LIABILITY		
Data Compromise Defense and Liability Limit:	\$ 50,000	Annual Aggregate
Sublimits		
3 rd Party Named Malware:	\$ 10,000	Per Occurrence
Data Compromise Defense and Liability Deductible:	\$ 1,000	Per Occurrence

NETWORK SECURITY LIABILITY

Network Security Liability Limit:	\$ 50,000	Annual Aggregate
Network Security Liability Deductible:	\$ 1,000	Per Occurrence

ELECTRONIC MEDIA LIABILITY		
Electronic Media Liability Limit:	\$ 50,000	Annual Aggregate
Electronic Media Liability Deductible:	\$ 1,000	Per Occurrence

IDENTITY RECOVERY		
Identity Recovery Limit:	\$ 25,000	Annual Aggregate per "Identity Recovery Insured"
Sublimits		
Lost Wages and Child and Elder Care Expenses:	\$ 5,000	
Mental Health Counseling:	\$ 1,000	
Miscellaneous Unnamed Costs:	\$ 1,000	

CYBER SUITE COVERAGE PREMIUM	\$ 375
------------------------------	--------

Audit Statement

The Premium & Classifications are subject to change by Audit	Audit Period: Non-Auditable
--	-----------------------------



Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23
Premium: \$10,444.00 (Taxes, Fees, and Surcharges included, if applicable)

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

Abuse or Molestation Liability Coverage

Claims Made Coverage Form

Retroactive Date: 09/10/2025

Coverage	Limit of Insurance		Premium
Abuse or Molestation- BHS	\$1,000,000	Each Claim	\$10,444.00
	\$3,000,000	Aggregate	

Proposal Date: 09/04/2026

Effective Date: 09/10/2026

Premium: \$11,661.00 (Taxes, Fees, and Surcharges included, if applicable)

Claims Made Coverage Form

Retroactive Date: 09/10/2025

Coverage	Limit of Insurance		Premium
Professional Liability Errors and Omissions	\$1,000,000	Each Claim	\$11,661
	\$3,000,000	Aggregate	



Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23
Premium: \$942.00 (Taxes, Fees, and Surcharges included, if applicable)

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

Commercial Auto

Schedule of Coverages

Coverages	Covered Auto	Limits	Premium
Liability	8, 9	\$1,000,000	Included
Personal Injury Protection (or equivalent No-fault Coverage)		Stated In PIP Endorsement	
Added Personal Injury Protection (or equivalent added No-fault Coverage)		Stated in Added PIP Endorsement	
Extraordinary Medical Benefits (N/A in FL)		Stated in Extraordinary Medical Benefit Endorsement	
Auto Medical Payments		\$	
Medical Expense And Income Loss Benefits (VA only)		Stated In Medical Expense And Income Loss Benefits Endorsement	
Uninsured Motorists		Stated In UM Endorsement	
Underinsured Motorist (When not included in Uninsured Motorists Coverage)		Stated In UIM Endorsement	
Uninsured Motorists (Virginia Only)		\$	
Physical Damage Comprehensive Coverage (See Item Four for Hired or Borrowed Autos)		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus The Deductible Shown On The Schedule. However, No Deductible Applies To Loss Caused By Fire Or Lightning	
Physical Damage Specified Causes Of Loss Coverage (See Item Four for Hired or Borrowed Autos)		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus The Deductible Shown On The Schedule For Each Covered Auto, For Loss Caused By Mischief Or Vandalism.	
Physical Damage Towing And Labor		See Schedule For Each Disablement Of A Private Passenger Auto.	
Estimated Total Premium			\$ 942.00

Hired Auto

Liability Coverage - Rating Basis, Cost Of Hire			
State	Estimated Cost Of Hire For Each State	Rate Per Each \$100 Cost Of Hire	Factor (If Liability Coverage Is Primary)
CA	\$ 5,000	\$	

Non Owned Auto

State	Named Insured's Business	Rating Basis	Number
CA	Other Than Garage Service Operations And Other Than Social Service Agencies	Number Of Employees	
		Number Of Partners	
	Garage Service Operations	Number Of Employees Whose Principal Duty Involves The Operation Of Autos	
	Social Service Agencies	Number Of Employees	25
		Number Of Volunteers	
		Number of Volunteer Donors	



Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23
Premium: \$492.00 (Taxes, Fees, and Surcharges included, if applicable)

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

Crime

Crime and Fidelity Coverages

Insuring Agreements	Limit Of Insurance Per Occurrence	Deductible Amount Per Occurrence
Employee Theft		
a. Employee Theft	\$100,000	\$2,500
b. ERISA Plan Official Dishonesty	Not Applicable	Not Applicable
c. Employee Theft of Clients' Property	Not Covered	Not Covered
Forgery Or Alteration		
a. Forgery of Negotiable Instruments	Not Covered	Not Covered
b. Forgery of Payment Card Instruments	Not Covered	Not Covered
Inside The Premises - Theft of Money And Securities.	Not Covered	Not Covered
Inside The Premises - Robbery Or Safe Burglary Of Other Property.	Not Covered	Not Covered
Outside The Premises	Not Covered	Not Covered
Computer And Funds Transfer Fraud	Not Covered	Not Covered
Money Orders And Counterfeit Money	Not Covered	Not Covered

Endorsements Forming Part Of This Coverage Part When Issued:
 See "Schedule of Forms and Endorsements"



Issuing Company: Berkley Regional Insurance Company
Quote No.: HHS 8585197_Q - 23

Proposal Date: 09/04/2026
Effective Date: 09/10/2026

Schedule of Forms and Endorsements

Commercial Common Policy

<u>Number</u>	<u>Edition</u>	<u>Description</u>
IL DS 83 00	08-2015	Commercial Lines Policy Common Policy Declarations
CL LOC	09-2008	Location Schedule
CL IL FS 01	09-2008	Schedule of Forms and Endorsements
IL 00 03	09-2008	Calculation of Premium
IL 00 17	11-1998	Common Policy Conditions
IL 00 21	09-2008	Nuclear Energy Liability Exclusion Endorsement - Broad Form
IL 01 02	02-2020	California Changes - Actual Cash Value
IL 01 03	09-2007	California Changes - Actual Cash Value
IL 01 04	07-2020	California Changes
IL 02 70	07-2020	California Changes Cancellation And Nonrenewal
IL 09 35	07-2002	Exclusion of Certain Computer Related Losses
IL 09 52	01-2015	Cap on Losses From Certified Acts of Terrorism
IL 09 85	12-2020	Disclosure Pursuant to Terrorism Risk Insurance Act
IL 83 19	08-2015	Office Of Foreign Assets Control (OFAC) Exclusion Endorsement
IL N 177	09-2012	California Premium Refund Disclosure Notice
IL PN 83 13	12-2020	Policyholder Disclosure - Notice of Terrorism Insurance Coverage
IL PN 83 47 CA	05-2015	Important Information Consumer Affairs - California

Commercial Property

<u>Number</u>	<u>Edition</u>	<u>Description</u>
CP DS 83 00	03-2011	Commercial Property Declarations
CL CP FS 01	09-2008	Schedule of Forms and Endorsements
CP 00 10	10-2012	Building and Personal Property Coverage Form
CP 00 90	07-1988	Commercial Property Conditions
CP 01 40	07-2006	Exclusion of Loss Due to Virus or Bacteria
CP 10 30	09-2017	Causes Of Loss - Special Form
CP 83 45	06-2015	Platinum Protector Coverage Enhancements to Property Coverage Forms
CP 83 80	12-2021	Cyber Incident Exclusion

Commercial General Liability

<u>Number</u>	<u>Edition</u>	<u>Description</u>
CG PN 83 07	10-2025	Advisory Notice To Policyholders Perfluoroalkyl And Polyfluoroalkyl Substances (Pfas) Exclusion
CG DS 83 00	03-2011	Commercial General Liability Declarations
CL CG FS 01	09-2008	Schedule of Forms and Endorsements
CS DS 83 00	09-2017	Cyber Suite Coverage Form Supplemental Declarations
CG 00 01	04-2013	Commercial General Liability Coverage Form
CG 01 67	06-2010	California Changes Public Schools
CG 04 35	12-2007	Employee Benefits Liability Coverage
CG 21 16	04-2013	Exclusion - Designated Professional Services
CG 21 32	05-2009	Communicable Disease Exclusion
CG 21 47	12-2007	Employment Related Practices Exclusion
CG 21 67	12-2004	Fungi Or Bacteria Exclusion
CG 21 71	01-2015	Exclusion of Other Acts of Terrorism Committed Outside The United States; Cap on Losses From Certified Acts of Terrorism
CG 21 96	03-2005	Silica Or Silica - Related Dust Exclusion
CG 22 30	07-1998	Exclusion - Corporal Punishment

CG 22 39	04-2013	Exclusion - Camps Or Campgrounds
CG 22 71	12-2019	Colleges Or Schools (Limited Form)
CG 24 16	12-2007	Canoes or Rowboats
CG 24 26	04-2013	Amendment Of Insured Contract Definition
CG 83 07	10-2016	Asbestos Exclusion Endorsement
CG 83 10	06-2013	Lead Liability Exclusion Endorsement
CG 83 91	12-2019	General Liability Broadening Endorsement
CG 84 07	12-2014	Additional Condition Endorsement - Two Or More Policies
CG 84 33	12-2014	Absolute Abuse Or Molestation Exclusion
CG 84 93	02-2022	Exclusion - Cyber Incident
CG 85 24	10-2025	Exclusion - Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)
CG 85 27	05-2023	Exclusion - Biometric Information
CS 83 00	02-2025	Cyber Suite Coverage Form

Abuse or Molestation Liability

<u>Number</u>	<u>Edition</u>	<u>Description</u>
AM DS 83 01	07-2016	Abuse Or Molestation Liability Declarations
CL AM FS 01	10-2015	Schedule of Forms and Endorsements
AM 83 02	12-2014	Limited Defense Expense Coverage Endorsement
AM 83 04	02-2015	Exclusion Of Other Acts Of Terrorism Committed Outside The United States; Cap On Losses From Certified Acts Of Terrorism
AM 83 06	12-2014	Nuclear Energy Liability Exclusion Endorsement
AM 83 07	12-2014	Fungi Or Bacteria Exclusion
AM 83 08	12-2014	Asbestos Exclusion
AM 83 09	12-2014	Pollution Exclusion
AM 83 10	12-2014	Lead Exclusion
AM 83 33	07-2016	Abuse or Molestation Liability Coverage Form Claims Made Coverage
AM 83 50	07-2022	Exclusion - Cyber Incident

Professional Liability

<u>Number</u>	<u>Edition</u>	<u>Description</u>
RP DS 83 00	07-2016	Professional Liability E&O Declaration
CL RP FS 01	10-2015	Schedule of Forms and Endorsements
RP 83 04	07-2016	Professional Liability Errors and Omissions Coverage Form - Claims-Made Coverage
RP 83 16	12-2014	Absolute Abuse Or Molestation Exclusion
RP 83 23	12-2014	Professional Asbestos Exclusion Endorsement
RP 83 24	12-2014	Professional Lead Exclusion Endorsement
RP 83 25	12-2014	Nuclear Energy Exclusion
RP 83 26	12-2014	Pollution Exclusion Endorsement
RP 83 27	12-2014	Fungi Exclusion Endorsement
RP 83 63	07-2022	Exclusion - Cyber Incident
RP 83 64	05-2023	Exclusion - Biometric Information

Commercial Auto

<u>Number</u>	<u>Edition</u>	<u>Description</u>
CA DS 83 00	08-2014	Business Auto Declarations
CL CA FS 01	09-2008	Schedule of Forms and Endorsements
CA 00 01	10-2013	Business Auto Coverage Form
CA 01 43	05-2017	California Changes
CA 23 84	10-2013	Exclusion Of Terrorism
CA 23 94	10-2013	Silica Or Silica-Related Dust Exclusion For Covered Autos Exposure
CA 83 39	12-2014	Absolute Abuse Or Molestation Exclusion
CA 83 42 CA	09-2015	California Auto Body Repair Consumer Bill of Rights
CA 83 85	09-2022	Exclusion - Cyber - With Limited Exception
CA PN 83 38	10-2014	Commercial Auto - Exclusion of Terrorism Advisory Notice to Policyholders

Crime

<u>Number</u>	<u>Edition</u>	<u>Description</u>
CR DS 83 00	05-2015	Commercial Crime Policy Declarations
CL CR FS 01	09-2008	Schedule of Forms and Endorsements
CR 00 21	11-2015	Commercial Crime Coverage (Loss Sustained Form)
CR 03 10	08-2017	California Changes - Premium

Heartwood Charter School
HHS 8585197_Q - 23
09/10/2026

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term "act of terrorism" means any act that is certified by the Secretary of the Treasury — in consultation with the Secretary of Homeland Security, and the Attorney General of the United States — to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Coverage under your policy is affected as follows:

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss that may be covered by the Federal Government under the Act.

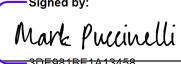
You should also know that the act, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

For property located in standard fire policy states there are state statutory exceptions covering certain fire losses if you decline coverage for "acts of terrorism" defined under the Act. If an "act of terrorism" certified under the act results in fire, we are required to pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to covered property and is subject to any limitations of any terrorism exclusion, or inapplicability or omission of a terrorism exclusion. This notice does not serve to create coverage for any loss which would otherwise be excluded under your policy.

The portion of your premium that is attributable to coverage for direct loss or damage that is caused by an "act of terrorism" certified under the act and where fire ensues in a statutory standard fire policy state (fire following terrorism) is \$ 1.00, and does not include any charges for the portion of losses covered by the United States Government under the Act. Note, this premium is applied to your policy regardless if you accept or decline coverage for "acts of terrorism" below.

Acceptance or Rejection of Terrorism Insurance Coverage

	I hereby elect to purchase terrorism coverage, subject to the limitations of the Act for acts of terrorism as defined by the Act, for a prospective premium of \$ 19.00 (including the fire following premium above)
	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Signed by:

3DE981BE1A13458...
Policyholder/Applicant's Signature
Mark Puccinelli
Print Name
9/9/2026
Date

Berkley Regional Insurance Company
Insurance Company
HHS 8585197_Q - 23
Quotation/Policy Number

EXCLUSION - CYBER - WITH LIMITED EXCEPTION ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form part of your policy. It provides information concerning the following new exclusion which applies to your renewal policy being issued by us. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

This is to notify you that when your policy renews, the following exclusionary endorsement will be attached to your policy:

CA 83 85 - Exclusion – Cyber - With Limited Exception

When this exclusion is attached to your policy your insurance coverage is reduced, or limited; meaning this insurance does not apply to any "loss", damages, costs and expenses, either directly or indirectly because of, caused by, arising out of, or resulting from:

1. Any:
 - a. Unauthorized access to, acquisition, use, collection, copying, processing, storage, dissemination, publication or disclosure of;
 - b. Theft, alteration, misuse, loss, misappropriation, disruption of, or damage to; or
 - c. Failure to provide access to, remove, rectify, destroy, protect or secure, including, but not limited to, failure to encrypt;

any person's or organization's "confidential information", whether it is "electronic data" or in any other form or media.
2. Theft of, loss of, loss of use of, corruption or impairment of, damage to, disruption or destruction of, or inability to access, alter or manipulate "electronic data";
3. Any of the following:
 - a. Denial of service attack on;
 - b. Misappropriation, diversion, loss or misuse of; or
 - c. Denial of access to or service of, interruption of service, degradation, loss of use, alteration, failure, destruction, corruption or impairment of;

any "computer system", including any insured's or other person's or organization's "computer system".
4. Malicious code, virus or any other harmful code that:
 - a. Is directed at, enacted upon or introduced into "electronic data" or any "computer system"; or
 - b. Is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use, prevent or restrict access to, or otherwise disrupt the normal functioning or operation of "electronic data" or any "computer system".
5. Transfer, payment or delivery of money or any other form of currency, including virtual currency, in response to a fraudulent instruction or demand.
6. Demand for a ransom payment (in money, or any form of currency, including virtual currency, or property or services) made in connection with the actual or threatened perpetuation of that which is described in paragraphs 1. through 5. above.

regardless of any other cause or event that contributes concurrently or in any sequence to the liability, "loss", cost, expense, damages or injury, other than as provided below.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, payment card replacement costs, forensic expenses, public relations expenses or any other loss, cost or expense incurred

by you or others arising out of that which is described in paragraphs **1.** through **6.** above.

If any of that which is described in Paragraphs 1-6 results in:

- a.** The covered "auto's" collision with another object;
- b.** The covered "auto's" overturn;
- c.** The covered "auto's" fire or explosion; or
- d.** The covered "auto's" total theft, other than "loss" due to theft;

We will pay the:

- (a)** Sums an "insured" legally must pay as damages because of "bodily injury", "property damage", or "covered pollution cost or expense" that is caused by an "accident" and one or more of the causes of loss specified in 1-4 above and resulting from the ownership, maintenance or use of the covered "auto" as provided under Covered Autos Liability Coverage;
- (b)** "Loss" to a covered "auto" or its equipment that is caused by one or more of the causes of loss specified in 1-4 as provided under Physical Damage

but only if otherwise covered under the policy to which this endorsement is attached.

PROFESSIONAL LIABILITY ERRORS AND OMISSIONS COVERAGE FORM - CLAIMS-MADE COVERAGE

THIS IS A CLAIMS-MADE COVERAGE FORM – PLEASE READ THE ENTIRE FORM CAREFULLY.

Various provisions in this Coverage Form restrict coverage. Please read the entire Coverage Form carefully to determine rights, duties, and what is and is not covered.

Throughout this Coverage Form, 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 Coverage Form. 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 **Section II, Who Is An Insured**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section VI, Definitions**.

Section I – Coverages

1. Insuring Agreement

- a. We will pay “damages” an Insured is legally obligated to pay as a result of negligent acts, errors or omissions or “related negligent acts, errors or omissions” in the performance of or failure to perform “professional services,” but only if:
 - (1) the negligent acts, errors or omissions or “related negligent acts, errors or omissions” take place in the “coverage territory” as defined in **Section IV**;
 - (2) the negligent acts, errors or omissions or “related negligent acts, errors or omissions” did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the “policy period.”; and
 - (3) a “claim” is first made against any insured, in accordance with paragraph c. below, during the “policy period” or any Extended Reporting Period we provide under **Section VII – Extended Reporting Periods**; and
 - (4) a “claim” is reported to us in writing, in accordance with **Section V – General Conditions 2. Duties in the Event of a “Claim” or “Suit.”**
- b. We will have the right and duty to defend any “suit” seeking “damages” covered by this policy. We may at our discretion investigate any “claim” and settle any “claim” or “suit” that may result. But:
 - (1) the amount we will pay for “damages” is limited as described in **Section III, Limits of Insurance**; and
 - (2) our right and duty to defend will end when we have used up the applicable limit of insurance in the payment of “damages.”
- c. A “claim” seeking “damages” will be deemed to have been made when notice of such “claim” is received and recorded by any insured or by us, whichever comes first. All “claims” arising out of “related negligent acts, errors or omissions” will be considered as having been made at the same time the first “claim” is made.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Part 3 of this **Section I, Supplementary Payments**.

2. Exclusions. This insurance does not apply to:

- a. Any “claim” or “suit” arising out of “related negligent acts, errors or omissions” that began prior to the effective date of this policy if, as of the effective date of this policy, any of the following knew or reasonably should have known that the acts, errors or omissions could result in a “claim” or “suit.”
 - (1) your officers or directors;

- (2) any "employee" authorized by you to give us, our insurance agent, or your insurance broker notice of circumstances likely to result in a "claim;" or
- (3) you, if you are a sole proprietor.
- b. Any "claim" or "suit" arising out of a dishonest, fraudulent, knowingly wrongful, criminal or malicious act, error or omission by you, by any other Insured, or by any person for whose acts, errors or omissions an Insured is legally liable. However, this exclusion does not apply to any Insured who did not:
 - (1) personally participate in committing any such act, error or omission; or
 - (2) remain passive after having personal knowledge of any such act, error or omission.
- c. Any "claim" or "suit" arising out of the infringement of copyright, title, slogan, patent, trademark, trade dress, trade name, service mark, service name or other intellectual property right or law.
- d. Any "claim" or "suit" arising out of the violation of any:
 - (1) antitrust law;
 - (2) unfair trade practices law or unfair competition law;
 - (3) workers' compensation law or employers' liability law;
 - (4) disability benefits law, unemployment compensation law, or other employee benefits law; or
 - (5) any law or regulation similar or related to the foregoing.
- e. Any "claim" or "suit" arising out of an Insured's status or activities as a partner, officer, director, stockholder, or employee of any company, partnership, corporation or other entity not named in the Declarations.
- f. Any "claim" made or "suit" brought by:
 - (1) any organization or enterprise in which an Insured owns an interest, is a partner, or which is a parent, affiliate, subsidiary or related company of any Insured;
 - (2) any organization or enterprise directly or indirectly controlled, operated or managed by an organization or enterprise described in Exclusion f. (1) above;
 - (3) a present, former, or prospective partner, officer, director, stockholder, or employee of an Insured or by any person claiming by, through or under any of the same; or
 - (4) an Insured, or any other person claiming by, through or under that Insured, against another Insured.
- g. Any "claim" or "suit" arising out of:
 - (1) the breach of any warranty, guarantee, contract or agreement;
 - (2) a dispute over fees or charges for services;
 - (3) the inability or failure of an Insured or others to collect or pay money; or
 - (4) an Insured's obtaining a personal profit or advantage to which the Insured was not legally entitled.
- h. Any "claim" or "suit" arising out of liability assumed in a contract or agreement. However, this exclusion does not apply:
 - (1) if the person named as the indemnitee in the contract or agreement is specifically identified as an additional insured in this policy; or
 - (2) to liability the Insured would have without the contract or agreement.
- i. Any "claim" or "suit" arising out of any Insured's activities as:
 - (1) an officer, director, partner, trustee, or employee of a pension, welfare, profit sharing, mutual or investment fund or trust, or any related financial concerns;
 - (2) a public official, an employee of a governmental body, subdivision or agency other than the Named Insured;
 - (3) a fiduciary under the Employee Retirement Income Security Act of 1974 and any amendments thereof or any regulations or orders issued pursuant thereto;

- (4) a proprietor, superintendent, or executive officer of any "hospital," sanatorium, medical clinic with bed and board facilities, or laboratory;
- (5) a member of a professional accreditation board or committee, peer review board or committee, any similar board or committee, or professional society; or
- (6) an arbitrator.
- j. Any "claim" or "suit" arising out of any insolvency or bankruptcy of any Insured or any other person or organization in which such Insured has a financial interest.
- k. Any "claim" or "suit" by any person in connection with or arising out of his or her employment by the Insured, or any other person claiming by, through or under him or her, including any "claim" or "suit" based on:
 - (1) a refusal to employ a person;
 - (2) the termination of a person's employment; or
 - (3) any employment-related practices, policies, acts, or omissions, including but not limited to
 - (a) coercion,
 - (b) demotion,
 - (c) evaluation,
 - (d) reassignment,
 - (e) discipline,
 - (f) defamation,
 - (g) harassment,
 - (h) humiliation, or
 - (i) discrimination.
- l. Any "claim" or "suit" arising out of the ownership, "loading or unloading," maintenance, use or entrustment to others of any motor vehicle, aircraft, or watercraft.

This exclusion applies even if the "claim" or "suit" against any Insured alleges negligence or other wrongdoing in the supervision, hiring, selection, employment, training, or monitoring of others by that Insured, if the liability arises from the ownership, maintenance, use, or entrustment to others of any motor vehicle, aircraft, or watercraft, whether or not owned or operated by, or rented or loaned to, any Insured.
- m. Any "claim" or "suit" arising out of any discrimination on account of race, religion, sex, age, ethnic background, national origin, physical or mental disability, or sexual orientation, or arising out of any actual, threatened, or alleged violation of any local, state, or federal civil rights law, regulation, or ordinance.
- n. Any "claim" or "suit" arising out of any actual or alleged violation of:
 - (1) the Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - (2) the CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - (3) the Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
 - (4) any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the: printing, dissemination, disposal, collecting, recording, sending, transmitting, protecting, communicating or distribution of material or information, including nonpublic personal or private information.
- o. Any administrative hearing, investigation, licensure proceeding, enforcement proceeding, or any similar proceeding by any federal, state, or local governmental, administrative, or regulatory agency.
- p. Any "claim" or "suit" arising out of "advertising injury" or "personal injury."

However, this exclusion does not apply to "personal injury" when the offense is directly resulting from a negligent act, error, or omission in the performance of or failure to perform "professional services" and the "personal injury" does not arise out of:

- (1) oral or written publication of material, if done by or at the direction of the Insured with knowledge of its falsity;
 - (2) oral or written publication of material, whose first publication took place before the beginning of the "policy period;" or
 - (3) the willful violation of a penal statute or ordinance committed by or with the consent of the Insured.
- q. Any "claim" or "suit" arising out of:
- (1) war, including undeclared or civil war;
 - (2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- r. Any "claim" or "suit" arising out of the prescription, utilization, furnishing, or dispensing of drugs or medical, dental, or nursing supplies or appliances, except as directed by a doctor of medicine, doctor of osteopathic medicine, physician assistant, nurse, or psychologist in compliance with state or federal law, and in the normal practice as a social service organization.
- s. Any "claim" or "suit" arising out of damage to property:
- (1) owned, occupied or used by any Insured;
 - (2) rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by any Insured;
 - (3) which is or was in the possession of any Insured or any person acting on behalf of any Insured; or
 - (4) that is real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are or were performing operations.
- t. Any "claim" or "suit" arising out of the furnishing or failure to furnish "professional services" by an accountant, acupuncturist, anesthesiologist, architect, attorney, engineer, creditor, debt collector, financial trustee, financial advisor or guardian, investment manager, lender, nurse anesthetist, nurse midwife, radiologist, real estate manager, veterinarian, or x-ray therapist.

3. Supplementary Payments

We will pay, with respect to any "claim" or "suit" we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the Insured at our request to assist us in the investigation or defense of the "claim" or "suit," including actual loss of earnings up to \$500 a day because of time off from work.
- d. All costs, other than attorney's fees and expenses, taxed or awarded against the Insured in the "suit."
- e. Prejudgment interest awarded against the Insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the Limits of Insurance, but we will have no duty or obligation to make these payments after we have used up the applicable limit of insurance by the payment of "damages."

Section II – Who Is An Insured

- 1. Each of the following is an Insured under this Coverage Form.
 - a. You and any other Named Insured identified in the Declarations;

- b. Any principal, partner, officer, director, stockholder, trustee, employee, or “volunteer worker” of the Named Insured, past or present, while acting within the scope of his or her duties for your social service organization. However, no person is an Insured for liability resulting from negligent acts, errors or omissions while acting in the capacity of a:
 - (1) chiropractor,
 - (2) dentist, dental hygienist, oral maxillofacial surgeon, or other dental specialist,
 - (3) doctor of medicine or doctor of osteopathic medicine,
 - (4) foster parent,
 - (5) nurse practitioner or physician assistant,
 - (6) optometrist,
 - (7) podiatrist, or
 - (8) radiation therapist or x-ray technician.
 - c. In the event of death, incompetency, insolvency or bankruptcy of any Insured, such Insured’s legal representative(s) while acting within the scope of his or her duties as such.
2. No person or organization is an Insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

Section III – Limits of Insurance And Deductible

1. Limits of Insurance

Regardless of the number of Insureds under this Coverage Form, persons or parties who sustain “damages,” or “claims” made or “suits” brought, our liability is limited as follows:

- a. The each “claim” limit of liability shown in the Declarations is the most we will pay for all “damages” because of any negligent act, error or omission or “related negligent acts, errors or omissions” in providing “professional services” to one or more persons. All “damages” arising out of “related negligent acts, errors or omissions” shall be considered a single “claim” and subject to one limit of liability.
- b. The aggregate limit of liability shown in the Declarations is the total limit of our liability under this policy for all “damages” because of all “claims” to which this Coverage Form applies.
- c. We are not obligated to pay any “damages” or Supplementary Payments (under Part 3 of **Section I**) or to defend any “suit” after the applicable limit of our liability has been exhausted by the payment of “damages.”
- d. For the purposes of determining the applicable limit of insurance:
 - (1) all “damages” from any “claim” arising out of “related negligent acts, errors or omissions” covered by any policy or policies issued by us or by any company affiliated with us will be assigned to only one policy;
 - (2) only the policy issued by us or any company affiliated with us that was in effect when the first covered negligent act, error or omission of the “related negligent acts, errors or omissions” occurred will apply; and
 - (3) all “damages” attributable to “related negligent acts, errors or omissions” covered by a policy issued by us or any company affiliated with us will be treated as one “claim” and assigned to one “policy period” even if the limits of liability under that policy have been eroded or exhausted.
- e. The Limits of Insurance of this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the “policy period” shown in the Declarations, unless the “policy period” is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

2. Deductible

With respect to each “claim,” our obligation to pay on your behalf applies only to the amount of “damages” in excess of the deductible amount stated in the Declarations.

We may pay, but under no condition are we obligated to pay, any or all of the deductible amount as “damages” and, upon our notification to you that we have paid the deductible amount, you agree to promptly reimburse us.

Section IV – Coverage Territory

1. “Coverage territory” means:

- a. the United States of America, its territories or possessions, Puerto Rico or Canada;
- b. all other parts of the world if the “damages” arise out of the activities of a person whose home is in the territory described in a. above, but who is away for a short time on your business;

provided the “claim” or “suit” originates in, is brought within, and resolved within the United States of America, its territories or possessions, Puerto Rico or Canada.

Section V – General Conditions

1. Bankruptcy

Bankruptcy or insolvency of an Insured or of an Insured’s estate will not relieve us of our obligations under this Coverage Form.

2. Duties in the Event of a “Claim” or “Suit”

- a. You must see to it that we are notified as soon as practicable of an act, error or omission, which may result in a “claim.” To the extent possible, notice should include:
 - (1) how, when and where the act, error or omission 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 act, error or omission.
- b. You must see to it that we receive written notice of a “claim” or “suit” as soon as practicable, but no later than 60 days after the “claim” is made or “suit” is brought. You must immediately record the specifics of the “claim” or “suit” and the date received.
- c. You and any other involved Insured 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, settlement or defense of the “claim” or “suit;” and
 - (4) 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 “damages” to which this Coverage Form may also apply.
- d. No Insured will, except at the Insured’s own cost and expense, and without recourse to this policy: admit liability; voluntarily make a payment; assume any obligation; or incur any expense, other than for first aid, without our prior written consent.

3. Governmental or Charitable Immunity

If you are or may be entitled to governmental immunity, charitable immunity or tort cap protection, this Coverage Form is not intended to and does not constitute a waiver of that immunity or tort cap.

4. Legal Action Against Us

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

- 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 Form 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 an actual trial, but we will not be liable for “damages” that are not payable under the terms of this Coverage Form or that are in excess of the applicable Limits of Insurance shown in the Declarations of this Coverage Form. An agreed settlement means a settlement and release of a liability signed by us, the Insured and the claimant or the claimant’s legal representative.

5. Other Insurance and Risk Transfer Agreements

This Condition applies when “damages” covered by this Coverage Form are covered by other insurance, self-insurance or a risk transfer agreement.

a. Primary Insurance

This insurance is primary except when **5.b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all other primary insurance through the method described in **5.c.**

b. Excess Insurance

This insurance is excess over:

- (1) any other insurance, self-insurance or risk transfer agreement providing for the defense or indemnity of an employee or "volunteer worker;"
- (2) any insurance providing for the defense or indemnity of the Named Insured as an additional insured;
- (3) any other insurance you have purchased from us or a company affiliated with us, which is more specific than this insurance; or
- (4) any agreement to defend and indemnify a Named Insured as an indemnitee.

When this insurance is excess, we will have no obligation to defend any "claim" or "suit" that any other insurer, individual or entity has an obligation to defend.

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

- (1) the total amount that all such other insurance would pay for the loss in the absence of this insurance;
- (2) the total of all deductible and self-insured amounts under all the other insurance; and
- (3) the total amount owed under any agreement to indemnify a Named Insured.

- c.** When other insurance applies on the same basis, whether primary or excess, we will share the cost of defense and indemnity pro rata based on the total limits of liability of all applicable insurance.

6. Premium Audit

- a.** We will compute all premiums for this Coverage Form in accordance with our rules and rates.
- b.** At the end of this "policy period," we have the right to audit the exposures and to re-compute the earned premium for the "policy period." Audit premiums are due and payable on notice to the first Named Insured. If the sum of the deposit premium and the endorsement premiums collected is determined upon audit to have exceeded the amount of the final earned premium determined by the audit, 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 as such times as we may request.

7. Representations

By accepting this Coverage Form, you agree:

- a.** the statements in the Declarations and in the application for insurance are accurate and complete;
- b.** those statements are based upon representations you or your authorized representatives made to us; and
- c.** we have issued this Coverage Form in reliance upon your representations.

8. Separation of Insureds

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Form to the first Named Insured, this insurance applies:

- a.** as if each Named Insured were the only Named Insured; and
- b.** separately to each Insured against whom a "claim" is made or a "suit" is brought.

9. Transfer of Rights of Recovery Against Others to Us

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

10. Two or More Coverage Forms/Parts or Policies Issued By Us

It is our stated intention that the various coverage forms, coverage parts or policies issued to you by us, or any company affiliated with us, do not provide any duplication or overlap of coverage for the same claim or "suit." If this policy and any other coverage form, coverage part or policy issued to you by us, or any company affiliated with us, apply to the same negligent act, error or omission, occurrence, offense, wrongful act, accident, or loss, the maximum Limit of Insurance under all such coverage forms, coverage parts or policies combined shall not exceed the highest applicable Limit of Insurance under any one coverage form, coverage part or policy.

This condition does not apply to any Excess or Umbrella policy issued by us specifically to apply as excess insurance over the policy to which this Coverage Form is attached.

11. When We Do Not Renew

If we decide not to renew this Coverage Form, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 60 days before the expiration date.

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

Section VI – Definitions

When used in this Coverage Form (including endorsements forming a part thereof):

1. "Advertising injury" means injury arising out of one or more of the following offenses committed in the course of advertising your goods, products, or services:
 - a. oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - b. oral or written publication of material that violates a person's right of privacy;
 - c. misappropriation of advertising ideas or style of doing business; or
 - d. infringement of copyright, title or slogan.
2. "Claim" means a demand for "damages."
3. "Damages" means a monetary judgment following an actual trial or amounts paid in a settlement entered into with our prior written consent. "Damages" does not include: amounts an insured incurs in complying with an award of injunctive, declaratory, or equitable relief; fines, penalties, restitution or sanctions; punitive or exemplary awards, or the multiplied or enhanced portion of any monetary judgment or award; amounts deemed to be uninsurable under applicable law; or attorneys' fees, attorneys' expenses, or other costs awarded against an insured.
4. "Educational or teaching services" means the development of curriculum or the provision of instructional services by:
 - a. an administrator, a faculty member or instructor of a pre-school, day care, school, job or vocational training facility, college, or university; or
 - b. an administrator, coach, instructor, or personal trainer of an athletic, sports, fitness or recreational program.
5. "Hospital" means a medical facility or clinic providing acute medical care.
6. "Loading or unloading" means the handling of property:
 - a. after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or motor vehicle;
 - b. while it is in or on an aircraft, watercraft or motor vehicle; or
 - c. while it is being moved from an aircraft, watercraft or motor vehicle to the place where it is finally delivered.
7. "Personal injury" means injury, other than bodily injury, arising out of one or more of the following offenses:
 - a. false arrest, detention or imprisonment;
 - b. malicious prosecution;
 - c. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;

- d. oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - e. oral or written publication of material that violates a person's right of privacy.
8. "Policy period" means the period from the effective date of this policy to its expiration, cancellation or termination. If this policy is renewed, then the effective date of the renewal will begin a new "policy period."
9. "Professional services" means providing or failing to provide services to others requiring the application of the skill and judgment of a trained or licensed professional while acting by or on behalf of your social service organization.
- a. "Professional services" includes:
 - (1) counseling services;
 - (2) "educational or teaching services;" and
 - (3) the furnishing, administration, or dispensing of food, beverages, medications or appliances in connection with "professional services."
 - b. "Professional services" does not include:
 - (1) medical care and treatment provided by a "hospital;"
 - (2) surgical services, including but not limited to pre-operative testing and preparation, diagnostic procedures, anesthesia, obstetric delivery, and post-operative recovery and treatment;
 - (3) radiation treatment;
 - (4) x-ray, magnetic resonance imaging, ultra sound and similar services, including the interpretation of resulting images;
 - (5) the performance of psychiatric, medical or dental services by or at the direction of a psychiatrist, licensed medical provider or licensed dental provider if the Insured is required by contract or by law to indemnify or hold harmless the psychiatrist, licensed medical or licensed dental provider against any loss, cost, "claim" or cause of action arising out of the provision of such services.
10. "Related negligent acts, errors or omissions" means negligent acts, errors or omissions that are causally or logically connected.
11. "Suit" means a civil proceeding seeking "damages" and includes:
- a. an arbitration proceeding seeking "damages" to which an Insured must submit or does submit with our consent; and
 - b. any other alternative dispute resolution proceeding seeking "damages" to which an Insured submits with our consent.
12. "Volunteer worker" means a person who is not your employee who provides "professional services" and is not paid a fee, salary, or other compensation by you or anyone else for their work performed for you.

Section VII – Extended Reporting Periods

1. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. They provide for a specified period of time after the expiration or cancellation date in which
- the coverage provided by this Coverage Form will continue to apply to "claims" made against you because of negligent acts errors or omissions or "related negligent acts, errors or omissions" in the performance of or failure to perform "professional services" that occurred before the end of the "policy period," but not before the Retroactive Date, if any shown in the Declarations. Unless otherwise stated, Extended Reporting Periods do not reinstate or increase the Limits of Insurance. Once in effect, Extended Reporting Periods may not be cancelled and premium shall be fully earned.

2. If this Coverage Form is cancelled or nonrenewed, a 60 day Extended Reporting Period will be automatically provided without an additional charge. You shall have the right, upon payment of additional premium, to purchase a one, two or three year supplemental Extended Reporting Period. The request for a supplemental Extended Reporting Period must be made to us in writing within 60 days after the "policy period". The supplemental Extended Reporting Period will not go into effect unless payment of the additional premium is received by us when due. The supplemental Extended Reporting Period Aggregate Limit of Insurance is equal to the Aggregate Limit of Insurance shown in the Professional Liability Errors and Omissions Coverage Form Declarations. If the cancellation or non-renewal is for nonpayment of premium, this supplemental Extended Reporting Period will not be provided unless any earned premium due is paid within 60 days after the effective date of such cancellation.

3. Extended Reporting Periods do not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims."

In the event similar insurance is in force covering "claims" first made during any Extended Reporting Period, coverage provided by this Coverage Form shall be excess over any part of any other valid and collectible insurance available to the insured, whether primary, excess, contingent or on any other basis, whose "policy period" begins or continues after our "policy period" ends.

ADVISORY NOTICE TO POLICYHOLDERS

PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS) EXCLUSION

This Notice does not form part of your policy. No coverage is provided by this notice, nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following endorsements, which apply to your renewal policy being issued by us.

FOR USE WITH THE COMMERCIAL GENERAL LIABILITY COVERAGE PART

CG 85 24 - Perfluoroalkyl And Polyfluoroalkyl Substances (PFAS) Exclusion

- If this endorsement was previously attached to your policy, this endorsement has been revised. Revisions to the endorsement include:
 - The definition of PFAS now includes specific chemicals both by name and by broad category. Previously, PFAS chemicals were listed by broad category only.
 - Chemicals currently listed as PFAS chemicals by governmental authorities, as well as those that may be added to the list in the future, are excluded from coverage. Additionally, a definition of 'Governmental Authority' has been included and this definition applies throughout the policy.
 - When two or more causes of loss are part of the same suit and any part of the suit includes a PFAS chemical, the suit is excluded from coverage in its entirety. All claims costs, damages and expenses are excluded when PFAS is a part of the claim or suit.
- If not previously attached to your policy, this endorsement is new.
 - This endorsement excludes bodily injury, property damage, and personal and advertising injury coverage actually or allegedly, and directly or indirectly, arising from or out of, caused by, based upon, attributable to, related to, contributed to by, or in any way involving a Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS).

FOR USE WITH THE PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART; AND OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

CG 85 25 - Perfluoroalkyl And Polyfluoroalkyl Substances (PFAS) Exclusion

- If this endorsement was previously attached to your policy, this endorsement has been revised. Revisions to the endorsement include:
 - The definition of PFAS now includes specific chemicals both by name and by broad category. Previously, PFAS chemicals were listed by broad category only.
 - Chemicals currently listed as PFAS chemicals by governmental authorities, as well as those that may be added to the list in the future, are excluded from coverage. Additionally, a definition of 'Governmental Authority' has been included and this definition applies throughout the policy.
 - When two or more causes of loss are part of the same suit and any part of the suit includes a PFAS chemical, the suit is excluded from coverage in its entirety. All claims costs, damages and expenses are excluded when PFAS is a part of the claim or suit.

- If not previously attached to your policy, this endorsement is new.
 - This endorsement excludes bodily injury, property damage, and personal and advertising injury coverage actually or allegedly, and directly or indirectly, arising from or out of, caused by, based upon, attributable to, related to, contributed to by, or in any way involving a Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS).

FOR USE WITH THE RAILROAD PROTECTIVE LIABILITY COVERAGE PART

CG 85 26 - Perfluoroalkyl And Polyfluoroalkyl Substances (PFAS) Exclusion

- If this endorsement was previously attached to your policy, this endorsement has been revised. Revisions to the endorsement include:
 - The definition of PFAS now includes specific chemicals both by name and by broad category. Previously, PFAS chemicals were listed by broad category only.
 - Chemicals currently listed as PFAS chemicals by governmental authorities, as well as those that may be added to the list in the future, are excluded from coverage. Additionally, a definition of 'Governmental Authority' has been included and this definition applies throughout the policy.
 - When two or more causes of loss are part of the same suit and any part of the suit includes a PFAS chemical, the suit is excluded from coverage in its entirety. All claims costs, damages and expenses are excluded when PFAS is a part of the claim or suit.
- If not previously attached to your policy, this endorsement is new.
 - This endorsement excludes bodily injury, property damage, and personal and advertising injury coverage actually or allegedly, and directly or indirectly, arising from or out of, caused by, based upon, attributable to, related to, contributed to by, or in any way involving a Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PLATINUM PROTECTOR COVERAGE ENHANCEMENTS TO PROPERTY COVERAGE FORMS

This Endorsement modifies and is subject to the insurance provided under one or more of the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

CAUSES OF LOSS - SPECIAL FORM

The coverages described in this endorsement are provided as extensions or additions to your Commercial Property Coverage Forms. Our payment for loss or damage under these extensions or additions is subject to the deductible amount listed in the Declarations to your Commercial Property Coverage Forms, unless otherwise specified in this endorsement. The amounts we pay under these extensions or additions will not reduce the applicable limits of insurance under your Commercial Property Coverage Forms unless otherwise specified in this endorsement.

The coverages afforded under this endorsement are subject to all of the terms and conditions of the Commercial Property Coverage Forms which this endorsement modifies unless this endorsement provides otherwise.

In the event of a conflict between any provision in this endorsement and a provision in your Commercial Property Coverage Forms the terms or conditions of this endorsement will control.

Various provisions in this endorsement and the Commercial Property Coverage Forms which this endorsement modifies, restrict coverage. Read your Commercial Property Coverage Forms and this endorsement carefully to determine your rights, duties, and what is and is not covered.

Some words and phrases have special meanings and are defined in this endorsement or your Commercial Property Coverage Forms. Some of the words and phrases that are capitalized are defined within the individual coverage extension. Words and phrases that are capitalized and found within quotation marks (for example, "Covered Cause of Loss") are defined in Part VII of this endorsement.

IMPORTANT NOTICE. If any specifically scheduled coverage contained in your Commercial Property Coverage Forms has a corresponding extension of coverage in this endorsement, the corresponding extension of coverage in this endorsement shall not apply. If an extension of coverage is provided both by this endorsement and by your Commercial Property Coverage Forms (but not through a specifically scheduled coverage contained in your Commercial Property Coverage Forms), only the extension of coverage afforded by this endorsement will apply. In no event will any loss or damage be covered both by an extension of coverage in this endorsement and by your Commercial Property Coverage Forms (including any other endorsements to your Commercial Property Coverage Forms or through a specifically scheduled coverage contained in your Commercial Property Coverage Forms). No stacking or duplication of coverage limits is intended or afforded by this endorsement and any coverage contained in your Commercial Property Coverage Forms.

SCHEDULE OF COVERAGE EXTENSIONS AND ADDITIONS

<u>SUBJECTS OF INSURANCE</u>	<u>LIMITS FOR EACH PART</u>
Part I 1. Newly Acquired or Constructed Property 2. Personal Property	\$1,000,000 Flexible Blanket
Part II 1. Business Income with Extra Expense 2. Off Premises Utility Failure - \$25,000 sub-limit 3. Newly Acquired Locations - \$100,000 sub-limit per location 4. Civil Authority 5. Alterations and New Buildings 6. 180 Day Extended Business Income 7. Interruption of Computer Operations - \$2,500 sub-limit	The greater of the limits shown below: \$500,000 or \$ _____
Part III 1. Accounts Receivable 2. Arson Reward \$50,000 sub-limit 3. Debris Removal 4. Electronic Data Processing 5. Emergency Vacation of a Covered Building- \$20,000 sub-limit 6. Fine Arts 7. Fire Department Device Recharge - \$20,000 sub-limit per recharge 8. Key Employee Replacement Expenses 9. Kidnap and Ransom Expense - \$50,000 sub-limit 10. Garages and Sheds - \$25,000 sub-limit per occurrence 11. Loss Data Preparation Costs 12. Money and Securities 13. Outdoor Property - \$25,000 sub-limit per premises and per covered loss 14. Personal Effects and Property of Residential Clients - \$1,000 sub-limit per each client and \$25,000 sub-limit per insured premises 15. Pollutant Clean Up and Removal - \$50,000 sub-limit 16. Property in Transit 17. Property Located at Conventions, Fairs, Exhibitions or Special Events 18. Fire Department Service Charge - \$10,000 sub-limit 19. Retaining Walls 20. Signs 21. Spoilage - Subject to sub-limits for property of "Residential Clients" 22. Valuable Papers and Records 23. Water Back Up of Sewers or Drains- \$25,000 sub-limit	\$250,000 Flexible Blanket

SCHEDULE OF COVERAGE EXTENSIONS AND ADDITIONS Continued

<u>SUBJECTS OF INSURANCE</u>	<u>LIMITS FOR EACH PART</u>
Part IV Business Personal Property within 1,250 feet	Limits as stated in the Commercial Property "Declarations"
Part V Ordinance or Law	
Coverage A - Undamaged Portion of the Building	Limits as stated in the Commercial Property "Declarations"
Coverage B - Demolition Cost and Coverage C - Increased Cost of Construction	Combined \$1,000,000
Part VI Equipment Breakdown Subject to \$250,000 sub-limits for certain losses	Limits as stated in the Commercial Property "Declarations"
Part VII Definitions and Policy Changes	
Part VIII Additional General Exclusions, Conditions and Definitions	

The descriptions contained in the above Schedule simply identify the extensions or additions to coverage provided by this endorsement. Read the following pages of this endorsement to understand the terms and conditions of these extensions or additions.

Our payment for loss or damage under these extensions and additions is subject to the per occurrence Deductible set out in the "Declarations" to the Commercial Property Coverage Forms unless otherwise provided in this endorsement.

PART I
\$1,000,000 FLEXIBLE BLANKET

The extensions provided under **Part I** are subject to a \$1,000,000 flexible blanket limit as shown on the Schedule of Coverage Extensions and Additions. This limit will apply in addition to the limits that apply to your Building and Personal Property coverages. You can elect to allocate the applicable flexible blanket limit to any one or any combination of the following coverage extensions: **(1)** Newly Constructed or Acquired Property or **(2)** Personal Property While Located Off Premises.

The \$1,000,000 flexible blanket limit is the most we will pay for loss or damage covered under **Part I** and sustained during the policy period.

The Coinsurance Conditions found in Section 1 of Part F of your Building and Personal Property Coverage Form do NOT apply to the coverage extensions in this **Part I**.

1. NEWLY ACQUIRED OR CONSTRUCTED PROPERTY

- a. Coverage is extended to apply to direct physical loss of or damage to:
 - (1)** A building under construction at a location listed or described in the "Declarations", or
 - (2)** A building you acquire during the policy period at a location that is not listed or described in the "Declarations", but only if:
 - (a)** the newly acquired building is put to a similar use as a building listed or described in the "Declarations", or
 - (b)** the newly acquired building is used as a warehouse; or
 - (3)** Business personal property located at a building described in paragraphs **(1)** and **(2)** immediately above; or
 - (4)** Business personal property you acquired during the policy period located at a building listed or described in the "Declarations"; but only when such direct physical loss or damage is caused by or results from a "Covered Cause of Loss".
- b. The coverage afforded under this coverage extension for newly constructed or acquired property will end when any of the following first occurs:
 - (1)** This policy expires;
 - (2)** Ninety days after construction begins;
 - (3)** Ninety days after you acquire the property; or
 - (4)** The date you report the values for the newly constructed or acquired property to us.
- c. We will charge an additional premium for coverage beyond the above periods based on the values reported from the date construction began or the date the property was acquired.

2. PERSONAL PROPERTY WHILE LOCATED OFF PREMISES

- a. Coverage is extended to apply to direct physical loss of or damage to your covered personal property caused by or resulting from a "Covered Cause of Loss" while it is away from a building or premises identified or described in the "Declarations", if it is:
 - (1)** temporarily located at a premises you do not own or lease or from which you do not operate; or
 - (2)** in storage at a location you lease, provided the lease was executed after the beginning of the current policy term.
- b. This extension of coverage does not apply to property :
 - (1)** in or on a vehicle;
 - (2)** in the care, custody or control of your employees or volunteers; or
 - (3)** at any fair, exhibition or special event.

PART II

BUSINESS INCOME WITH EXTRA EXPENSE

1. Coverage

Coverage is extended to apply to the actual loss you sustain as result of Business Income that is lost and Extra Expense that is incurred as a result of the direct physical loss of or damage caused by a "Covered Cause of Loss" to (1) property at a building or premises listed or described in the "Declarations" and/or (2) your personal property in the open or in a vehicle within 1,250 feet of such building or premises.

The most we will pay for this coverage extension is \$500,000 or, if greater, the other amount shown on the Schedule of Coverage Extensions and Additions. If the other amount is less than \$500,000 or if no amount is shown, the most we will pay for covered losses sustained during the policy period under **Part II** is \$500,000.

The Coinsurance Conditions found in Section 1 of Part F of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM do NOT apply to the coverage extensions found in **Part II** of this endorsement.

a. Business Income means the:

- (1) Net Income (net profit or loss before income taxes) that would have been earned but for the loss; and
- (2) Continuing normal operating expenses incurred, including payroll.

b. Extra Expense means reasonable and necessary expenses you incur during the "Period of Restoration" that you would not have incurred if there had been no direct physical loss or damage to covered property caused by or resulting from a "Covered Cause of Loss".

c. Business Income Loss Determination.

The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the "Covered Cause of Loss" on customers or on other businesses;
- (3) Ordinary and necessary operating expenses, including payroll expenses, required to resume "Operations" with the same quality of service that existed just before the direct physical loss or damage; and other relevant sources of information including your financial records, accounting procedures, bills, invoices, vouchers and deeds, liens or contracts.

d. Extra Expense Loss Determination.

The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "Operations" during the "Period of Restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) the salvage value that remains of any property bought for temporary use during the "Period of Restoration", once "Operations" are resumed; and
 - (b) any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) All necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

e. Resumption of "Operations." We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "Operations" in whole or in part, by using damaged or undamaged property (including merchandise in stock) at the covered premises or elsewhere.
- (2) Extra Expense loss to the extent you can return "Operations" to normal and discontinue such Extra Expense.

f. Resumption of "Operations." If you do not resume "Operations," or do not resume "Operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "Operations" as quickly as possible.

g. Policy Expiration. The expiration date of this policy will not cut short the "Period of Restoration."

2. Coverage Extensions

a. Off Premises Utility Failure

- (1) Coverage under **Part II** of this Endorsement is extended to include actual loss of Business Income you sustain and necessary Extra Expense that you incur due to the interruption of Water Supply Services, Communications Supply Services or Power Supply Services to the building(s) described or identified in the "Declarations."
- (2) The interruption must result from direct physical loss or damage by a "Covered Cause of Loss" to the following described facilities, and not from loss or damage to the building(s) listed or described in the "Declarations":
 - (a) Water Supply Services means the following types of equipment supplying water to the building(s):
 - (i) Pumping Stations; and
 - (ii) Water mains.
 - (b) Communications Supply Services means equipment supplying communication services, including telephone, radio, microwave or television services, to the building(s), such as:
 - (i) Communications transmission lines;
 - (ii) Coaxial cables; and
 - (iii) Microwave radio relays.

Communications Supply Services do not include satellite transmission and receiving devices and overhead communication lines.
 - (c) Power Supply Services means the following types of equipment supplying electricity, steam or gas to the building(s):
 - (i) Utility generating plants;
 - (ii) Switching stations;
 - (iii) Substations;
 - (iv) Transformers; and
 - (v) Transmission lines.

Power Supply Services do not include overhead transmission lines.
- (3) We will only pay for loss you sustain after the first twenty-four (24) hours following the direct physical loss or damage to the off-premises facility to which this coverage extension applies.
- (4) The most we will pay under this Extension is \$25,000.

b. Newly Acquired Locations

- (1) Coverage under **Part II** of this Endorsement is extended to apply to property at any location you acquire other than fairs or exhibitions.
- (2) The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- (3) Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (a) This policy expires;
 - (b) 30 days expire after you acquire or begin to construct the property; or
 - (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

3. Additional Coverages

a. Civil Authority

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any "Covered Cause of Loss."

The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for Extra Expense will begin immediately after the time of that action and will end:

- (1) 3 consecutive weeks after the time of that action; or
 - (2) When your Business Income coverage ends;
- whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any "Covered Cause of Loss" to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 90 consecutive days after the date determined in (1) (a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any "Covered Cause of Loss".

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 90 consecutive days after the date determined in (2) (a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the "Covered Cause of Loss" in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any "Covered Cause of Loss".

d. Interruption Of Computer Operations

- (1) Except as provided for Under this Additional Coverage, Coverage for Business Income and Extra Expense does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data.

Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software 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.

- (2) Subject to all provisions of this Additional Coverage, the insurance that applies to Business Income and Extra Expense applies to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a "Covered Cause of Loss".
- (3) With respect to the coverage provided under this Additional Coverage, the "Covered Causes of Loss" includes a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (4) The most we will pay under this Additional Coverage - Interruption of Computer Operations is \$2,500 for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.
- (5) This Additional Coverage - Interruption in Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

PART III

\$250,000 FLEXIBLE BLANKET

The coverage extensions and additions described below in this **Part III** are subject to a \$250,000 flexible blanket limit. This limit is in addition to the limits that apply to your BUILDING AND PERSONAL PROPERTY COVERAGE FORMS. Subject to any applicable sub-limit set out in the individual coverage extensions in this **Part III**, at the time of loss, you can elect to allocate the \$250,000 flexible blanket limit to any one or any combination of the following coverage extensions: (1) Accounts Receivable; (2) Arson Reward; (3) Debris Removal; (4) Electronic Data Processing Equipment; (5) Emergency Vacation of a Covered Building; (6) Fine Arts; (7) Fire Department Device Recharge; (8) Key Employee Replacement Expense; (9) Kidnap and Ransom Expense; (10) Garages and Sheds; (11) Loss Data Preparation Costs; (12) Money and Securities; (13) Outdoor Property; (14) Personal Effects and Property of "Residential Clients"; (15) Pollutant Clean Up and Removal; (16) Property in Transit; (17) Property Located at Conventions, Fairs, Exhibitions or Special Events; (18) Fire Department Service Charge; (19) Retaining Walls; (20) Signs; (21) Spoilage; (22) Valuable Papers or (23) Water Back Up of Sewers or Drains. These coverage extensions are subject to the terms and conditions of this endorsement and any applicable limit or sub-limit to some of the coverage extensions.

The most we will pay under all of the **Part III** coverage extensions is \$250,000.00 for all covered losses sustained during the policy period.

The Coinsurance Conditions found in Section 1 of Part F of your BUILDING AND PERSONAL PROPERTY COVERAGE FORM do not apply to the \$250,000 coverage extensions in this **Part III**.

1. ACCOUNTS RECEIVABLE

- a. Coverage is extended to apply to direct physical loss of or damage to your records of accounts receivable when caused by or resulting from a "Covered Cause of Loss":
 - (1) At a building listed or described in the "Declarations" or in or on a vehicle in transit between premises described in the "Declarations"; or
 - (2) If the records must be removed from a building listed or described in the "Declarations" to protect them from the threat of a "Covered Cause of Loss", but only while the records are
 - (a) At a safe place away from the described building; or
 - (b) Being taken to or returned from the described building.
- b. The amount of your accounts receivable loss is limited to:
 - (1) All amounts due from your customers, clients, or a funding source that you are unable to collect;
 - (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 - (3) Collection expenses in excess of your normal collection expenses that are necessarily incurred because of the loss; or
 - (4) Other reasonable and necessary expenses that you incur to establish your records of accounts receivable;

that result from direct physical loss of or damage to your records of accounts receivable, including credit or charge card slips, resulting from any "Covered Cause of Loss."
- c. The amount of your accounts receivable loss payment will be determined as follows:
 - (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, the following method will be used:
 - (a) The total of the average monthly amount of accounts receivable for the 12 months preceding the month in which the loss occurs will be determined; and
 - (b) This total will be adjusted for any normal fluctuations in the amount of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month.
 - (2) The following will be deducted from the total amount of accounts receivable, however that amount is established.
 - (a) The amount of the accounts for which there is no loss; and
 - (b) The amount of the accounts that you are able to reestablish or collect; and
 - (c) An amount to allow for probable bad debts that you are normally unable to collect.
 - (3) You will pay to us the amount of all recoveries you receive for a loss paid by us. But any recoveries in excess of the amount we have paid to you belong to you.
- d. **Exclusions**
 - (1) We will not pay under this coverage extension for any loss caused by or resulting from any of the following:
 - (a) Alteration, falsification, concealment, or destruction of records of account receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property.
This exclusion applies only to the extent of the wrongful giving, taking, or withholding.
 - (b) Bookkeeping, accounting or billing errors or omissions.
 - (2) We will not pay under this coverage extension for a loss that requires any audit of records or any inventory computation to prove that the loss occurred.
- e. The per occurrence Deductible set out in the "Declarations" applies to this coverage extension.

2. ARSON REWARD

- a. Coverage is extended to apply to amounts you pay as a reward for information that leads to the arrest and conviction of a person or persons responsible for a fire that results in damage to your property listed or described in the "Declarations." This coverage extension only applies when a fire department determines that the fire was of suspicious origin or the result of arson. You must obtain our prior, written consent before offering the reward.

- b. The most we will pay for any one reward is \$50,000 regardless of the number of individuals that may be responsible for the fire and regardless of the number of persons that provide information that leads to the arrest and conviction. We will not pay any reward to your executive officers, directors or trustees even if they or any of them provide such information.
- c. This coverage extension is not subject to the per occurrence Deductible set out in the "Declarations."

3. DEBRIS REMOVAL

- a. Coverage is extended to pay your reasonable expenses to remove debris of covered property caused by or resulting from a "Covered Cause of Loss" that occurs during the policy period. We will pay those expenses only if they are reported to us in writing within 180 days of the date of the direct physical loss or damage.
- b. Debris Removal does not apply to costs to:
 - (1) Extract or remove "pollutants" from land or water; or
 - (2) Remove, restore or replace polluted land or water.
- c. The per occurrence Deductible set out in the "Declarations" applies to this coverage extension.

4. ELECTRONIC DATA PROCESSING EQUIPMENT INCLUDING ADDITIONAL EXPENSE, SOFTWARE AND TRANSIT

- a. Coverage is extended to apply to direct physical loss of or damage to your electronic data processing equipment, including Additional Expense, Software, and transit caused by or resulting from a "Covered Cause of Loss." This extension is limited to:
 - (1) Your electronic data processing, word processing, and telecommunications equipment, including their component parts;
 - (2) Your Software under this extension consists of Data, Programs, and Media. Data is information, which has been converted to a form usable in data or word processing equipment. Programs are systems that allow your computer(s) to utilize Data. Media is the material on which Data is recorded;
 - (3) Additional Expense under this coverage extension constitutes the necessary expenses you incur during the "Period of Restoration" that you would not have incurred if there had been no direct physical loss or damage to property:
 - (a) To avoid or minimize the suspension of business and to continue "Operations":
 - (i) At the described premises; or
 - (ii) At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations.
 - (b) To minimize suspension of business if you cannot continue "Operations," or
 - (c) To repair or replace the lost information contained in damaged Data, to the extent it reduces the amount of loss that otherwise would have been payable under this coverage extension.
- b. Subject to the **Part III** flexible blanket limit, this coverage extension applies to actual and necessary Additional Expense you incur due to direct physical loss of or damage to:
 - (1) Electronic data processing equipment, word processing equipment, telecommunications equipment, and Data, Programs and Media which you own, lease or are under your control and is at your premises listed or described in the ""Declarations"" or is in transit from or to those premises;
 - (2) The building in which the property described in (1) above is located, provided the building is damaged to an extent which prevents access to the property;
 - (3) The air-conditioning system that specifically services your electronic data processing equipment; and
 - (4) The electrical or telecommunication system that specifically services your Data or word processing operation, provided the damage to the system occurs inside, or within 100 feet of the building housing your Data or word processing operation.
- c. **Exclusions**
 - (1) We will not pay under this coverage extension for any loss involving any of the following:
 - (a) Property on loan, rent or lease while it is away from your described premises;
 - (b) Data, Programs or Media that cannot be replaced with other Data, Programs or Media of the same kind or quality;
 - (c) Accounts, bills, evidences of debt, valuable papers, abstracts, records, deeds, manuscripts or other documents, unless converted to Data and then only in that form.

- (2) We will not pay under this coverage extension for any loss caused by or arising out of any of the following:
- (a) Dishonest or intentionally wrongful acts committed by you, anyone else with an interest in the property, or your or their employees or authorized representatives, or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment. But this exclusion does not apply to a carrier for hire.
 - (b) Voluntarily parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device, or false pretense.
 - (c) Errors or omissions in processing or copying.
 - (d) Unauthorized instructions to transfer property to any person or to any place.
 - (e) Dampness or dryness of atmosphere.
 - (f) Unexplained loss, mysterious disappearance, or shortage disclosed upon taking inventory.
 - (g) Earthquake, landslide or other earth movement.
 - (h) Acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body.
 - (i) Faulty, inadequate or defective:
 - (j) Planning, zoning, development, surveying, or siting;
 - (k) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (l) Materials used in repair, construction or renovation;
 - (m) Maintenance of part or all of any property wherever located.
 - (n) Wear and tear, any quality in the property that causes it to damage or destroy itself, gradual deterioration; insects, vermin or rodents.

But if loss by a "Covered Cause of Loss" results, we will pay for that resulting loss.

- d. Valuation of the property covered under this coverage extension will be determined as follows:
- (1) Equipment. We will adjust a loss to your electronic data processing equipment on the basis of replacement cost. Subject to the **Part III** flexible blanket limit, the most we will pay is:
 - (a) The amount necessary to repair the equipment;
 - (b) The amount necessary to replace the equipment with material of the same kind or quality.
 - (2) Software.
 - (a) Data, Programs and Media will be valued at the actual cost of replacing or reproducing the same with material of the same kind and quality.
 - (b) If any Data, Programs or Media cannot be replaced or reproduced, we will pay for your actual cost of acquiring the Data, Programs or Media.
- e. After we receive your signed, sworn statement of loss, we may take possession of all or part of your damaged property. If we choose, we may repair the damaged property and return it to you in working order or we may replace your property with similar property that has the same functional capabilities as your damaged property.

5. EMERGENCY VACATION OF A COVERED BUILDING

- a. Coverage is extended to apply to the necessary and reasonable expenses that you incur as a result of vacating a building described or identified in the "Declarations" because of an Emergency caused by or resulting from or a "Covered Cause of Loss."
- b. Emergency means a situation of imminent danger that would cause physical harm or loss of life to the occupants of the building and that was caused by or results from a "Covered Cause of Loss."
- c. This coverage extension does not extend to a false alarm, a bomb threat or any other event that is not a "Covered Cause of Loss."
- d. The most we will pay under this Coverage Extension is \$ 20,000.
- e. The per occurrence Deductible set out in the "Declarations" applies to this coverage extension.

6. FINE ARTS

- a. Coverage is extended to apply to direct physical loss of or damage to your Fine Arts caused by or resulting from a "Covered Cause of Loss."

b. Exclusions

- (1) We will not pay under this coverage extension for any loss arising out of any of the following:
 - (a) Any repair, restoration, or retouching of the Fine Arts;
 - (b) Any dishonest, criminal or intentionally wrongful act by you, your employees, volunteers, agents, authorized representatives, directors, officers or trustees, or by anyone else to whom you entrust your Fine Arts for any purpose (except a carrier or other bailee for hire), or by anyone else who has an interest in the Fine Arts;
 - (c) Delay, loss of use, loss of market, or any other consequential loss;
 - (d) Wear and tear;
 - (e) Rust, corrosion, fungus, decay, deterioration, hidden or latent defects, or any quality in the Fine Art that causes it to damage or destroy itself,
 - (f) Damage from insects, vermin, or rodents;
 - (g) Dampness or dryness of atmosphere, or changes or extremes of temperature;
 - (h) Voluntarily parting with any Fine Art and entrusting it to another, if a person is induced to do so by any fraudulent scheme, trick, device or false pretense.
 - (i) Packing or unpacking by a person who has not been trained in the proper methods for packing or transporting Fine Arts.
 - (j) Loss of or damage to:
 - (i) Fine Arts on exhibition at any building or premises that is not listed or described in the "Declarations" except to the extent coverage is provided under coverage extension **17**; and
 - (ii) Contraband or property in the course of illegal transportation or trade.

c. Valuation

- (1) The amount of your loss resulting from the loss of or physical damage to Fine Art will be determined as of the date of the loss as the lesser of:
 - (a) The market value of the Fine Art;
 - (b) The amount for which you are liable, if the Fine Art is the property of another;
 - (c) The cost of reasonable restoration of the Fine Art to its condition immediately before loss; or
 - (d) The cost of replacing the Fine Art with substantially identical Fine Art.
- (2) In the case of loss to any part of sets or pairs, we may, at our option:
 - (a) Repair or replace any part to restore the pair or set to its value before the loss; or
 - (b) Pay the difference between the value of the pair or set before and after the loss.

d. Carrier means an entity that provides vehicle transportation services for compensation.

e. The per occurrence Deductible set out in the "Declarations" applies to this Item **6** extended coverage.

7. FIRE DEPARTMENT DEVICE RECHARGE

- a.** Coverage is extended to apply to amounts you are assessed for the recharge of your fire protective devices that are permanently installed in buildings listed or described in the "Declarations."
- b.** This coverage extension only applies when such devices have been discharged while being used to combat a fire at a building listed or described in the "Declarations."
- c.** The most we will pay for any one recharge of your fire protective devices is \$20,000.
- d.** The per occurrence Deductible set out in the "Declarations" does not apply to this coverage extension.

8. KEY EMPLOYEE REPLACEMENT EXPENSES

- a.** Coverage is extended to apply to reasonable and necessary expenses you incur to replace your chief executive officer, chief financial officer, or executive director who dies during the policy period.
- b.** The coverage afforded under this coverage extension applies only to the following expenses:
 - (1) Amounts incurred in placing advertisements directed at identifying a replacement;
 - (2) Amounts incurred in conjunction with the process of interviewing applicants for the position, including reasonable and necessary lodging, travel, meal and entertainment expense; and
 - (3) Reasonable and necessary additional expense associated with the process of identifying, interviewing and selecting a candidate for the position. Additional expenses include reference verification, background investigations, and legal fees incurred in the course of negotiating an employment contract with the replacement.

- c. The per occurrence Deductible set out in the "Declarations" does not apply to this Item **8** coverage extension.

9. KIDNAP AND RANSOM EXPENSE

- a. Coverage is extended to apply to the reasonable and necessary expenses you incur as a result of the kidnapping of your executive officers, directors or trustees, or the parent, spouse or child of any of your executive officers, directors or trustees.
- b. The coverage afforded under this coverage extension applies only to the following expenses:
 - (1) reasonable fees and expenses attributed to the use of a consultant or negotiator who is retained with our prior written consent;
 - (2) reasonable expenses associated with travel necessitated by the kidnapping;
 - (3) the amount of any reward offered with our prior, written approval that leads to the arrest and conviction of the individual or individuals responsible for the kidnapping.
 - (4) the salary owed to any kidnapped executive officer, director or trustee, exclusive of benefits and incentive bonuses, incurred during the period beginning 30 days after the abduction and continuing through the date you receive confirmation that the kidnapped person has died or been released, for a period not to exceed 12 months; and
 - (5) the interest you are assessed on money you are required to borrow to pay the amounts described in paragraphs (1) through (4) immediately above that accrues during a period beginning 30 days after you borrow the money and ends on the date we make the payment to you.
- c. The insurance provided by this coverage extension applies only to kidnappings or abductions that occur in the United States of America, its territories and Canada.
- d. The most we will pay under this coverage extension is \$50,000.
- e. The per occurrence Deductible set out in the "Declarations" does not apply to this Item **9** coverage extension.

10. GARAGES AND SHEDS

- a. Coverage is extended to apply to loss or damage to any garages or sheds located at the premises described or identified in the "Declarations" caused by or resulting from a "Covered Cause of Loss."
- b. The most we will pay for all loss or damage to all garages and sheds at any one premises is \$25,000 per occurrence.
- c. The per occurrence Deductible set out in the "Declarations" applies to this Item **10** coverage extension.

11. LOSS DATA PREPARATION COSTS

- a. Coverage is extended to apply to the reasonable and necessary costs you incur preparing loss data required by policy conditions after a property loss that is caused by or results from a "Covered Cause of Loss" in order to obtain payment from us. This includes the cost of taking inventory, making appraisals and preparing other data to determine the extent of your loss.
- b. The per occurrence Deductible set out in the "Declarations" applies to this Item **11** coverage extension.

12. MONEY AND SECURITIES

- a. We will pay for loss of Covered Property caused by or resulting directly from the covered causes of loss, set out under in (1)(b) and (2)(b) below.
 - (1) **Inside the Premises:**
 - (a) Covered Property means Money and Securities inside the Premises or a Banking Premises. Covered Property also means containers of Covered Property, and we will pay for loss of and loss from damage to, a locked safe, vault, cash register, cash box or cash drawer located in the Premises resulting directly from an actual or attempted Theft of or unlawful entry into those containers. We will also pay for loss from damage to the Premises or its exterior resulting directly from an actual or attempted Theft of Covered Property if you are the owner of the Premises or are liable for damage to it.
 - (b) Covered causes of loss under this coverage extension include only the following: Theft, disappearance, or destruction.
 - (2) **Outside the Premises:**
 - (a) Covered Property means Money and Securities outside the Premises in the care and custody of a Messenger.
 - (b) Covered causes of loss under this coverage extension include only the following: Theft, Disappearance, or Destruction.

- b. Coverage extension.** We will pay for loss of Covered Property resulting directly from the above described covered causes of loss while outside the Premises in the care and custody of an armored motor vehicle company.
- But, we will pay only for the amount of loss that you cannot recover:
- (1) Under your contract with the armored motor vehicle company, and
 - (2) From any insurance or indemnity carrier of, or for the benefit of customers of, the armored motor vehicle company.
- c. General Exclusions, Conditions, and Definitions.** All provisions in **PART VIII**, of this endorsement shall apply to this coverage extension. In addition, the following exclusions, conditions, and definitions shall apply:
- d. Additional Exclusions.** We will not pay for loss arising out of:
- (1) Accounting or arithmetical errors or omissions;
 - (2) Any dishonest or criminal act committed by any of your employees, directors, trustees, agents, or authorized representatives:
 - (a) Acting alone or in collusion with another person(s); or
 - (b) While performing services for you or otherwise;
 - (3) The giving or surrendering of property in any exchange or purchase:
 - (4) Damage to the Premises caused by or resulting from fire however caused that destroys Covered Property;
 - (5) Money contained in any Money operated device unless the amount of Money deposited in the device has been recorded by a continuous recording instrument in the device that shows the balance of funds in the device since it was last serviced and the funds in the device were emptied;
 - (6) Loss of property after it has been transferred or surrendered to a person or place outside the Premises or Banking Premises:
 - (a) On the basis of unauthorized instruction; or
 - (b) As a result of a threat to do:
 - (i) Bodily harm to any person; or
 - (ii) Damage to any property.

But this exclusion (6) does not apply to loss of Covered Property while outside the Premises or Banking Premises when the property was in the care and custody of a Messenger if you:

 - (c) Had no knowledge of any threat at the time the conveyance began; or
 - (d) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat;
 - (7) Loss from damage to the Premises or its exterior or to containers of Covered Property by vandalism or malicious mischief; and
 - (8) Loss resulting from you, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with the title to or possession of any Covered Property.
- e. Additional Conditions that Apply to this Coverage Extension**
- Your Duties in the Event of Loss: If you have reason to believe that any loss of, or loss from damage to Covered Property involves a violation of law, you must notify the police.
- f. Additional Definitions that Apply to this Coverage Extension**
- (1) **Banking Premises** means the interior of that portion of any building occupied by a banking or safe depository institution.
 - (2) **Messenger** means you or any of your employees while having care and custody of the property outside the Premises.
 - (3) **Occurrence** means an:
 - (a) Act or series of related acts involving one or more persons; or
 - (b) Act or event, or a series of related acts or events not involving any person.
 - (4) **Premises** means the interior of that portion of any building you occupy in conducting your operations.
 - (5) **Theft** means any act of stealing.

(6) Money means:

- (a)** Currency, coins, and bank notes in current use and having a face value; and
- (b)** Travelers checks, registered checks and money orders held for sale to the public

(7) Securities means negotiable and nonnegotiable instruments or contracts representing either Money or:

- (a)** Tokens, tickets, revenue or postage stamps (whether represented by actual stamps or unused value in a postage meter) in current use;
- (b)** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include Money; and
- (c)** Stocks, bonds, mutual fund certificates of participation and similar evidences of securities ownership

g. Records

You must keep records of all Money and Securities so we can verify the amount of any loss or damage.

h. Valuation

We will pay for:

Loss of Money for not more than its face value. We may, at our option, pay for loss of Money issued by any country other than the United States of America:

- (1)** At face value in the Money issued by that country; or
- (2)** In the United States of America's dollar equivalent on the day the loss was discovered.

Loss of Securities for not more than their value at the close of business on the day the loss occurred. If the exact day of the loss cannot be established, then the value will be determined as of the probable day of loss. We may, at our option:

- (3)** Pay the value of such Securities or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those Securities which were replaced or paid for; or
- (4)** Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the Securities. However, we will be liable only for the payment of so much of the cost of the Bond as would be charged for a Bond having a penalty not exceeding the value of the Securities at the close of business on the day the loss was discovered.

- i.** The per occurrence Deductible set out in the "Declarations" applies to this Item **12** coverage extension.

13. OUTDOOR PROPERTY

- a.** Coverage is extended to apply to direct physical loss of or damage to your outdoor fences, playground equipment, outdoor lighting, radio and television antennas (including satellite disks), trees, shrubs, plants and lawns, including reasonable debris removal expenses, caused by or resulting from:

Fire;

Lightning;

Explosion;

Riot or Civil Commotion;

Aircraft;

Theft;

Vandalism; or

Malicious Mischief;

provided such causes of loss are a "Covered Cause of Loss."

- b.** The most we will pay under this coverage extension is \$25,000 for loss or damages at any one insured location and for any one covered loss.

- c.** The per occurrence Deductible set out in the "Declarations" applies to this Item **13** coverage extension.

14. PERSONAL EFFECTS AND PROPERTY OF "RESIDENTIAL CLIENTS"

- a.** Coverage is extended to apply to the direct physical loss of or damage to the personal property of "Residential Clients" while they are in your care, caused by or resulting from a "Covered Cause of Loss." Personal property does not include Money or Securities, as defined in Item **12** of this **Part III**.

- b. The coverage afforded by this extension is subject to the following sub- limits:
 - (1) The each "Residential Client" sub-limit is \$1,000 and is the most we will pay as a result of the direct physical loss of or damage to the personal property of any one "Residential Client" during the Policy Period.
 - (2) The per location sub-limit is \$25,000 and is the most we will pay as a result of the direct physical loss of or damage to the personal property of all "Residential Clients" at any one location listed or described in the "Declarations" during the policy period.
- c. The per occurrence Deductible set out in the "Declarations" applies to this Item **14** coverage extension.

15. POLLUTANT CLEAN UP AND REMOVAL

- a. Coverage is extended to pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a "Covered Cause of Loss" that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the "Covered Cause of Loss" occurs.
- b. This coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.
- c. This coverage extension is subject to the sub-limit set out in the schedule. The most we will pay under this additional coverage for each described premises is \$50,000 for the sum of all covered expenses arising out of a "Covered Cause of Loss" occurring during each separate 12 month period of this policy.
- d. The per occurrence Deductible set out in the "Declarations" applies to this Item **15** coverage extension.

16. PROPERTY IN TRANSIT

- a. Coverage is extended to direct physical loss of or damage to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the building(s) or premises described or identified in the "Declarations."
- b. The personal property must be in or on (1) a motor vehicle you own, lease or operate or (2) a motor vehicle owned, leased or operated by a Carrier or bailee for hire, and the motor vehicle must be between points within the coverage territory.
- c. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicles contact with the road bed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of your vehicle. There must be visible marks of the forced entry.
- d. Carrier means an entity that provides vehicle transportation services for compensation.
- e. The per occurrence Deductible set out in the "Declarations" applies to this Item **16** coverage extension.

17. PROPERTY LOCATED AT CONVENTIONS, FAIRS, EXHIBITIONS OR SPECIAL EVENTS

- a. Coverage is extended to direct physical loss of or damage to your personal property caused by or resulting from a "Covered Cause of Loss" while it is temporarily on display or being used during a convention, fair, exhibition or special event at a location you do not own, lease or operate.
- b. The per occurrence Deductible set out in the "Declarations" applies to this Item **17** coverage extension.

18. FIRE DEPARTMENT SERVICE CHARGE

- a. Coverage is extended to apply to amounts you are assessed or charged by a fire department or rescue service as a service charge for responding to a fire or other emergency at a building listed or described in the "Declarations" if:
 - (1) Such charges were assumed by you under a contract or agreement entered into prior to the loss; or
 - (2) Such charges or assessments are required by local ordinance.
- b. **Exclusions.** We will NOT pay for any amounts assessed by a fire department or rescue service as a result of a false alarm unless the person making the false alarm reasonably believed that a fire or similar emergency actually existed at the building.
- c. The per occurrence Deductible set out in the "Declarations" does not apply to this Item **18** extension of coverage.
- d. The most we will pay under this coverage extension is \$ 10,000.

19. RETAINING WALLS

- a. Coverage is extended to direct physical loss or damage to any of your retaining walls that are located within the premises of a building or structure described or identified in the "Declarations" resulting from a "Covered Cause of Loss."
- b. The per occurrence Deductible set out in the "Declarations" applies to this Item **19** coverage extension.

20. SIGNS

- a. Coverage is extended to direct physical loss of or damage to your signs caused by or resulting from a "Covered Cause of Loss," whether or not attached to buildings or structures listed or described in the "Declarations."
- b. The per occurrence Deductible set out in the "Declarations" applies to this Item **20** coverage extension.

21. SPOILAGE

- a. Coverage is extended to direct physical loss of or damage to your perishable personal property and the perishable personal property of your "Residential Clients" while at or within 1,000 feet of a building or premises identified or described in the "Declarations" caused by spoilage due to change in temperature or humidity resulting from:
 - (1) Complete or partial interruption of electrical power to the described premises due to conditions beyond your control; or
 - (2) Mechanical breakdown or failure of heating, cooling, or humidity control equipment or apparatus at the described premises.
- b. Insurance under this coverage extension includes the reasonable expenses you incur to minimize the amount of covered spoilage loss.
- c. Any "Utility Services" exclusion found in any Commercial Property Coverage Form does not apply to this coverage extension.
- d. **Exclusions.** We will not pay for any loss under this coverage extension caused by or arising out of any of the following:
 - (1) The manual disconnection of any heating, cooling or humidity control equipment or apparatus from its source of power; or
 - (2) The deactivation of electrical power or current caused by the throwing of any switch or other device used to control the flow of electrical power or current; but the exclusions under paragraphs (1) and (2) above do not apply to any act committed by your "Residential Clients."
 - (3) The inability of an electric utility company or other power source to provide sufficient power caused by or resulting from a governmental order or lack of fuel;
 - (4) The inability of a power source at a described building to provide sufficient power to meet demand due to insufficient generating capacity; or
 - (5) Any of the following:
 - (i) Earth Movement;
 - (ii) Government Action;
 - (iii) Nuclear Hazard;
 - (iv) War and Military; or
 - (v) Water.

None of the other exclusions in section B of the CAUSES OF LOSS -SPECIAL FORM apply to this coverage extension.

- e. Limit of Insurance. The most we will pay with respect to perishable personal property of your "Residential Clients" is \$1,000 per each "Residential Client."
- f. We will not pay for loss or damage with respect to any one occurrence under this coverage extension until the amount of loss or damage to perishable property exceeds:
 - (1) \$250 per any "Residential Client"; and
 - (2) \$500 for your perishable property.

22. VALUABLE PAPERS AND RECORDS

- a. Coverage is extended to the reasonable and necessary expense you incur to replace or restore the lost information on valuable papers and records for which duplicates do not exist, located at a building or premises described in the "Declarations," when such loss is caused by or results from a "Covered Cause of Loss."

- b. This coverage extension includes the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records.
- c. **Exclusion.** This coverage extension does not apply to the loss of electronic data which includes information, facts or computer programs stored as or on, created or used on or transmitted to or from any computer. (But see Item 4 of this **Part III** relating to Electronic Equipment Including Additional Expense, Software and Transit.)
- d. The per occurrence Deductible set out in the "Declarations" applies to this Item 22 coverage extension.

23. WATER BACKUP OF SEWERS AND DRAINS

- a. Coverage is extended to loss or damage caused by or resulting from water that backs up from a sewer or drain.
- b. The most we will pay for any one water backup occurrence is \$25,000.
- c. The per occurrence Deductible set out in the "Declarations" applies to this Item 23 coverage extension.

PART IV BUSINESS PERSONAL PROPERTY

The first paragraph of subsection b of section 1, Covered Property, of Part A, Coverage, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is amended to read as follows:

- b. **Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,250 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation of Coverage form:

PART V ORDINANCE OR LAW COVERAGE

A. Limits of Insurance.

The limits of coverage under this coverage extension are as follows:

- 1. **Coverage A:** The per building limits shown in the "Declarations." In the event the "Declarations" show that the buildings or premises are insured on a blanket basis, then the limit per each building or premises shall be determined by reference to the schedule of buildings and/or premises on file with us.
- 2. **Coverage B and Coverage C:** The combined amount of \$1,000,000 as shown on the Schedule of Coverage Extensions and Additions.

B. Application of Coverage(s)

The Coverage(s) provided by this coverage extension apply only if both **B.1.** and **B.2.** are satisfied and are then subject to the following qualifications set forth in **B.3.**

- 1. The ordinance or law:
 - a. regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - b. is in force at the time of loss.

But coverage under this coverage extension applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this coverage extension.
- 2.
 - a. The building sustains direct physical damage that is a "Covered Cause of Loss" and such damage results in enforcement of the ordinance or law; or
 - b. The building sustains both direct physical damage that is caused by or results from a "Covered Cause of Loss" and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.
 - c. But if the building sustains direct physical damage that is not a "Covered Cause of Loss." and such damage is the subject of the ordinance or law, then there is no coverage under this coverage extension even if the building has also sustained direct physical damage caused by or resulting from a "Covered Cause of Loss."
- 3. In the situation described in **B.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of coverages **A**, **B**, and/or **C** of this coverage extension. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Section **H.** of this coverage extension provides an example of this procedure.)

However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages **A, B** and/or **C** of this coverage extension.

C. We will not pay under Coverage **A, B** or **C** of this coverage extension for:

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

D. Coverages

1. Coverage A - Coverage For Loss To The Undamaged Portion Of The Building

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **A** 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.

Coverage **A** is included within the Limit of Insurance shown in the "Declarations" as applicable to the covered building(s). Coverage **A** does not increase the Limit of Insurance.

2. Coverage B - Demolition Cost Coverage

With respect to the building that has sustained direct physical damage caused by or resulting from a "Covered Cause of Loss," we will pay 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 property.

The Coinsurance Additional Condition in the Building and Personal Property Coverage Form does not apply to this demolition cost coverage.

3. Coverage C - Increased Cost Of Construction Coverage

a. With respect to the building that has sustained direct physical damage caused by or resulting from a "Covered Cause of Loss," we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required; when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM does not apply to Increased cost of construction coverage.

b. When a building is damaged or destroyed and Coverage **C** applies to that building in accordance with **3.a.** above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **3.a.**:

- (1) The cost of excavations, grading, backfilling and filling;
- (2) Foundation of the building;
- (3) Pilings; and
- (4) Underground pipes, flues and drains.

The items listed in **b.(1)** through **b.(4)** above are deleted from Property Not Covered, but only with respect to the coverage described in this Provision, **3.b.**

E. Loss Payment

1. All following loss payment Provisions, **E.2.** and **E.3.**, are subject to the apportionment procedures set forth in Section **B.3.** of this endorsement.

2. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - a. If the replacement cost coverage option applies and the property is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
 - (1) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (2) The Limit of Insurance shown in the "Declarations" as applicable to the covered building.
 - b. If the replacement cost coverage option applies and the property is **not** repaired or replaced, or if the replacement cost coverage option does **not** apply, we will not pay more than the lesser of:
 - (1) The actual cash value of the building at the time of loss; or
 - (2) The Limit of Insurance shown in the "Declarations" as applicable to the covered building.
3. The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the Combined Limit of Insurance shown for Coverages **B** and **C** in the Schedule above. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:
 - a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
 - b. With respect to the Increased Cost of Construction:
 - (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another premises; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
 - (3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.
- F. The terms of this coverage extension apply separately to each building to which this endorsement applies.
- G. Under this coverage extension, we will not pay for loss due to any ordinance or law that:
 1. You were required to comply with before the loss, even if the building was undamaged; and
 2. You failed to comply with.
- H. Example of Proportionate Loss Payment for Ordinance Or Law Coverage Losses (procedure as set forth in Section **B.3.** of this coverage extension).

Assume:

- Wind is a "Covered Cause of Loss"; Flood is an excluded Cause of Loss
- The building has a value of \$200,000
- Total direct physical damage to building: \$100,000
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value
- Portion of direct physical damage that is covered (caused by wind): \$30,000
- Portion of direct physical damage that is not covered (caused by flood): \$70,000
- Loss under Ordinance Or Law Coverage **C** of this endorsement: \$60,000

Step 1:

Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$$\$30,000 \div \$100,000 = .30$$

Step 2:

Apply that proportion to the Ordinance or Law loss.

$$\$60,000 \times .30 = \$18,000$$

In this example, the most we will pay under this coverage extension for the Coverage **C** loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

Note: The same procedure applies to losses under Coverages **A** and **B** of this endorsement.

I. The following definition is added:

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

PART VI EQUIPMENT BREAKDOWN COVERAGE

Subject to all terms and conditions provided by the Commercial Property Coverage Part, the following additional coverage is added:

A. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown on the Schedule and in the "Declarations." Payments under this **Part VI** will reduce the applicable Limits of Insurance under your BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

We will pay for physical loss of or damage to Covered Property at the described premises caused directly by or resulting from Equipment Breakdown.

1. Equipment Breakdown means the following:

a. Physical loss or damage, both originating within:

(1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:

(a) Waste disposal piping;

(b) Any piping forming part of a fire protective system;

(c) Furnaces; and

(d) Any water piping other than:

(i) Boiler feed water piping between the feed pump and the boiler;

(ii) Boiler condensate return piping; or

(iii) Water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.

(2) All mechanical, electrical, electronic or fiber optic equipment.

b. Caused by, resulting from, or consisting of:

(1) Mechanical breakdown;

(2) Electrical or electronic break-down;

(3) Rupture, bursting, bulging, implosion, or steam explosion; or

(4) Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires.

If covered electrical equipment requires drying out as a result of a flood we will pay for the direct expenses of such drying out.

2. However, Equipment Breakdown does not mean:

a. Physical loss or damage caused by or resulting from any of the following:

(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect, "fungus" or any other quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents or other animals;

(6) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system, including any hardware, programs or software;

(7) Scratching and marring.

However if loss or damage not otherwise excluded results, then we will pay for such resulting damage.

- b. Any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire; lightning; combustion explosion; windstorm or hail; weight of snow, ice or sleet; falling objects; smoke; aircraft or vehicles; riot or civil commotion; malicious damage; sinkhole collapse; volcanic action; leakage from fire protection equipment; water damage; earth movement; and flood.

- B. In addition to the coverage provided by this endorsement in **Part III**, item **15**. Pollutant Clean Up and Removal, we will pay for Pollutant Clean Up and Removal for loss resulting from an Equipment Breakdown. The most we will pay for Pollutant Clean Up and Removal for all covered expenses arising out of Equipment Breakdown is the sum or \$250,000 occurring during each separate twelve (12) month period of this policy.

This coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

C. Additional Coverage Extensions.

1. Expediting Expense

We will pay for your expediting expense loss resulting from an Equipment Breakdown to your covered property. We will pay the Reasonable Extra Cost to:

- a. Make temporary repairs;
- b. Expedite permanent repairs; and
- c. Expedite permanent replacement.

Reasonable Extra Cost means the extra cost of temporary repair and of expediting the repair of such damaged Covered Property, including overtime and the extra cost of express or other rapid means of transportation. This will be a part of and not an addition to the applicable limit of insurance.

2. Refrigerant Contamination

We will pay the loss of Covered Property caused directly by contamination by refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as a result of Equipment Breakdown.

The most we will pay for loss or damage under this coverage is \$250,000.

3. Spoilage Coverage

We will pay for loss of or damage to perishable goods, which are Covered Property, caused directly by spoilage resulting from lack of power, light, heat, steam or refrigeration caused by Equipment Breakdown while equipment is:

- a. Located on or within 1,000 feet of your described premises, and
- b. Owned by the building owner at your described premises, or owned by a public utility.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire; lightning; combustion explosion; windstorm or hail; weight of snow, ice or sleet; falling objects; smoke; aircraft or vehicles; riot or civil commotion; malicious damage; sinkhole collapse; volcanic action; leakage from fire protection equipment; water damage; earth movement; and flood.

The most we will pay for loss or damage under this coverage is \$250,000.

4. CFC Refrigerants

We will pay for the Additional Cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances. Additional Costs mean those in excess of what would have been required to repair or replace covered property had no CFC refrigerant been

involved. We also pay for additional loss as described under the Spoilage or Loss Of Income Coverages provided by this endorsement when caused by the presence of a refrigerant containing CFC substances.

We will not pay more than the least of the following:

- a. The cost to repair the damaged property and replace any lost CFC refrigerant;
- b. The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
- c. The cost to replace the system with one using a non-CFC refrigerant.

5. Computer Equipment

We will pay for loss or damage to your Computer Equipment caused directly by equipment breakdown.

Computer Equipment means Covered Property which is electronic computer or other data processing equipment, including peripherals used in conjunction with such equipment and electronic media and records.

Media or Data:

- a. We will pay for loss or damage to your Media or Data caused by equipment breakdown. We will pay for your cost to research, replace, and/or restore all forms of electronic and magnetic tapes and disks and data and the cost to reprogram instructions for use in any covered electronic computer or electronic data processing equipment.

We will not pay to reproduce:

- 1) Software programs or operating systems that are not commercially available; or
- 2) Data that is obsolete, unnecessary or useless to you.

The most we will pay for loss or damage under this coverage for Media and/or Data is \$25,000. unless a higher limit is provided by Endorsement. In that case, whichever limit is greater will apply.

- b. If Media is damaged or Data is 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.

There shall be no coverage for any Media or Data we determine is not, or cannot, be replaced or restored.

Unless a higher limit is shown in the Declaration, we will pay the lesser of your actual loss of Business Income and/or Extra Expense for up to thirty (30) days after the "period of restoration" or \$25,000.

Media means material on which Data is recorded, such a magnetic tapes, hard disks, floppy disks, optical disks, thumb drives, hard drives, CD ROMs, DVD ROMs, or any similar method of temporary or permanent storage of data.

Data means information or instructions used by computers or computerized equipment.

6. Green Environmental and Efficiency Improvements

If Covered Property requires repair or replacement due to an equipment breakdown, we will pay:

- a. The lesser of the reasonable and necessary additional cost incurred by you to repair or replace damaged Covered Property with equipment of Like Kind and Quality which qualifies as "green".
Like Kind and Quality includes similar size and capacity.
- b. The additional reasonable and necessary fees incurred by you for the services of an accredited professional certified by a "green authority" to participate in the repair or replacement of physically damaged Covered Property as "green".
- c. The additional reasonable and necessary cost incurred by you for certification or recertification of the repaired or replaced Covered Property as "green".
- d. The additional reasonable and necessary cost incurred by you to be considered or certified as "green" in the removal, disposal, or recycling of damaged Covered Property.
- e. The business interruption (if covered by this policy to which this endorsement is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "green", in the coverages above.

However, we will not pay more than 125 percent, not to exceed a maximum amount of \$100,000. of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any business interruption loss incurred as stated above in order to achieve or maintain "green"

status.

This Coverage Extension will not pay for any of the following:

- a. Covered Property does not include "stock"; raw materials; "finished stock"; "production machinery"; merchandise; electronic data processing equipment not used in the functional support of buildings or structures; process water; molds and dies; property in the open; property of others for which you are legally liable; or personal property of others.
 - b. Any loss adjusted on any valuation basis other than a repair or replacement basis as described in the Valuation Condition of this policy.
 - c. Any loss covered under any other section of this policy.
 - d. Any cost incurred due to any law or ordinance with which you were legally obligated to comply prior to the time of the equipment breakdown.
7. With respect to the coverage provided by this **Part VI** coverage extension, the following is added to Paragraph **F. Additional Condition(s)** in the Building and Personal Property Coverage Form.

SUSPENSION

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against equipment breakdown to that Covered Property. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension / coverage reinstatement to:

- a. Your last known address; or
- b. The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. However, the suspension will be effective even if we have not yet made or offered a refund.

Jurisdictional Inspections - If any Covered Property under this endorsement requires inspection to comply with state, county, parish, or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

Environmental, Safety and Efficiency Improvements - If Covered Property requires replacement due to equipment breakdown, we will pay your additional cost to replace with equipment that is better for the environment, safer, or more efficient than the equipment being replaced.

However, we will not pay more than 125 percent of what the cost would have been to repair or replace with like kind and quality. This condition does not apply to any property to which Actual Cash Value applies.

- C. With respect to the coverage provided by this **Part VI** coverage extension, the CAUSES OF LOSS - SPECIAL FORM is amended as follows:
1. Under Section **B. Exclusions**, paragraph 2., is amended as follows:
 - a. Subparagraph a., regarding artificially generated electrical, magnetic or electromagnetic energy is deleted.
 - b. Subparagraph d., item (6) regarding mechanical breakdown is deleted.
 - c. Subparagraph e., regarding explosion of steam boilers, steam pipes, steam engines, or steam turbines owned or leased by you, is deleted.
 2. Exclusion **B.1.e. Utility Services** is deleted and replaced with the following:

UTILITY SERVICES

Loss resulting from Equipment Breakdown to power or other utility service supplied to the described premises, however caused, if the failure occurs beyond 1,000 feet away from the described premises.

However, if failure of power or other utility service results in Equipment Breakdown to Covered Property, we will pay for the loss or damage caused by the Equipment Breakdown.

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead the **Special Exclusion** applies to these coverages.

We will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire; lightning; combustion explosion; windstorm or hail; weight of snow, ice or sleet; falling objects; smoke; aircraft or vehicles; riot or civil commotion; malicious damage; sinkhole collapse; volcanic action; leakage from fire protection equipment; water damage; earth movement; and flood.

The most we will pay for loss or damage under this coverage is \$250,000, unless a higher limit is provided

by Endorsement. In that case, whichever limit is greater will apply.

3. When a loss is caused or results from Equipment Breakdown, we will not pay for:

(1) Any loss caused directly or indirectly by the failure of power or other utility service supplied to the described premises, however caused, if the failure occurs beyond 1000 feet of your described premise. However, if the failure of power or other utility service results in a "Covered Cause of Loss," we will pay for the loss resulting from that "Covered Cause of Loss."

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire; lightning; combustion explosion; windstorm or hail; weight of snow, ice or sleet; falling objects; smoke; aircraft or vehicles; riot or civil commotion; malicious damage; sinkhole collapse; volcanic action; leakage from fire protection equipment; water damage; earth movement; and flood.

The most we will pay for loss or damage under this coverage is \$250,000 unless a higher limit is provided by Endorsement. In that case, whichever limit is greater will apply.

PART VII

DEFINITIONS AND POLICY CHANGES

A. Definitions:

The following definitions apply to this endorsement and are added to Section H, Definitions, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

1. "Covered Cause of Loss" means the covered losses set out in the CAUSES OF LOSS - SPECIAL FORM attached to your BUILDING AND PERSONAL PROPERTY COVERAGE FORM.
2. "Declarations" means the Declarations Page accompanying your BUILDING AND PERSONAL PROPERTY COVERAGE FORM.
3. "Fine Arts" means paintings, prints, pictures, etchings, tapestries, art glass items, hand-made rugs, statuary, rare books, antique furniture, antique gold, silver or pewter items, manuscripts, porcelains, bric-a-brac and similar items when such objects are of rarity, historical value or artistic merit.
4. "Operations" means human or social services customarily provided by the Named Insured and occurring at the buildings or premises described or identified in the "Declarations" to your BUILDING AND PERSONAL PROPERTY COVERAGE FORM
5. "Period of Restoration" means the period of time that:
 - a. Begins with the date of direct physical loss or damage caused by or resulting from any "Covered Cause of Loss" at a premises identified or described in the "Declarations", and
 - b. Ends on the date when the property at the described premises should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period of time that is required due to the enforcement of any law that regulates the construction, use or repair, or requires the tearing down of any property.

6. "Residential Client" means a person who is both **(1)** residing in any of the buildings or premises identified or described in the "Declarations" pursuant to permission and knowledge of the Named Insured and **(2)** receiving specialized care, treatment or services provided by the Named Insured, as, for example, a child or challenged person residing in a group home operated by a human services provider.

"Residential Client" does not include **(1)** a member of the "Residential Client's" family or **(2)** guest(s) of the "Residential Client," even if such family member or guest is residing in said building or premises as a tenant or temporary occupant with the permission and knowledge of the Named Insured.

"Residential Client" does not include a person who is simply residing in said building or premises or a portion of the same, whether or not pursuant to a written or verbal lease or license agreement, and who is NOT receiving specialized care, treatment or services from the Named Insured, as, for example, a tenant who is occupying an apartment unit within a building owned or operated by a sponsor of affordable housing.

7. "Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under the Building and Personal Property Coverage Form.

8. "Rental Value" means Business Income that consists of:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
9. "Suspension" means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income including "Rental Value" or "Rental Value" applies.
10. "Green" means products, materials, methods and processes certified by a "green authority" which are intended or designed to conserve natural resources; reduce energy or water consumption; avoid toxic or other polluting emissions; or otherwise minimize environmental impact.
11. "Green authority" means a person or organization which or who is an authority on "green" buildings, products, materials, methods, or processes as certified and accepted by Leadership in Energy and Environmental Design (LEED®), "Green" Building Initiative Green Globes®, Energy Star Rating system or any other recognized "green" rating system.
12. "Production machinery" means any machine which processes, forms, shapes, or transports raw materials, materials in process, waste materials, or finished products.

B. Policy Changes:

Part C, Limits of Insurance, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is changed to read as follows:

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the "Declarations" **plus** the **Part I** flexible blanket limit of this endorsement, the **Part II** limit of this endorsement, the **Part III** flexible blanket limit (subject to certain sub-limits) of this endorsement, and the combined coverage B and C limits of **Part V** of this endorsement. The most we will pay for certain coverage extensions contained in this endorsement is set out in those coverage extensions.

PART VIII

GENERAL EXCLUSIONS, CONDITIONS AND DEFINITIONS

With respect to **PART III**, item **12**, as shown in the Schedule of Coverage Extensions and Additions, the following General Exclusions, General Conditions and General Definitions apply to this endorsement in addition to the terms and conditions contained in the Commercial Property Coverage Forms.

A. General Exclusions

We will not pay for loss as specified below:

1. Acts Committed By You Or Your Partners

Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.

2. Indirect Loss

Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:

- a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.
- b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
- c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

3. Legal Expenses

Expenses related to any legal action.

B. General Conditions

1. Consolidation - Merger

If through consolidation or merger with, or purchase or acquisition of assets or liabilities of, some other entity:

- a. Any additional persons become "employees"; or
- b. You acquire the use and control of any additional "premises";

any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", for a period of 60 days after the effective date of such consolidation, merger, or purchase or acquisition of assets or liabilities.

You must give us written notice within this 60 day period and obtain our written consent to extend this insurance to such additional "employees" or "premises". Upon obtaining our written consent, you must pay us an additional premium.

If you fail to notify us in writing within this 60 day period, then this insurance shall automatically terminate as to such additional "employees" or "premises".

2. Coverage Extensions

Unless stated otherwise in the Coverage Form, our liability under any Coverage Extension is part of, not in addition to, the Limit Of Insurance applying to the Coverage or Coverage Section.

3. Extended Period To Discover Loss

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

4. Joint Insured

- a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.
- b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- c. An "employee" of any Insured is considered to be an "employee" of every Insured.
- d. If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

5. Loss Sustained During Prior Insurance

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

6. Loss Covered Under This Insurance And Prior Insurance Issued By Us Or Any Affiliate

If any loss is covered:

- a. Partly by this insurance; and
- b. Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

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

C. General Definitions

1. "Employee" means:

a. Any natural person:

- (1) While in your service (and for 30 days after termination of service); and
- (2) Whom you compensate directly by salary, wages or commissions; and
- (3) Whom you have the right to direct and control while performing services for you; or

b. Any natural person who is furnished to you to:

- (1) Substitute for a permanent "employee" on leave; or
- (2) Meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises".

But "employee" does not mean any:

- (1) Agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- (2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY.

GENERAL LIABILITY BROADENING ENDORSEMENT

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Throughout this endorsement, the words “you” and “your” refer to the Named Insured shown in the Declarations. The word “we,” “us,” and “our” refer to the company providing this insurance.

The following is only a summary of the additional coverages provided by this endorsement and is provided only for your reference and convenience. For the Limits of Insurance and the additional coverages provided by this endorsement, read the provisions on the following pages and the Coverage Form, which this endorsement modifies.

SUBJECTS OF INSURANCE
Broadened Bodily Injury
Broadened Personal and Advertising Injury
Broadened Property Damage
Broadened Fire, Lightning, Explosion, and Sprinkler Leakage - \$500,000
Broadened Medical Payments - \$20,000
Broadened Supplementary Benefits
a. Bail Bonds - \$1,000
b. Expenses Incurred to Assist in Defense - \$500 per Day
Broadened Newly Acquired or Formed Organization
Broadened Non-Owned or Chartered Watercraft or Aircraft
Broadened Commercial General Liability Conditions
a. Duties in the Event of Occurrence, Offense, Claim, or Suit
b. Liberalization – Automatic Coverage If We Adopt Broader Coverages
c. Notice to Company
Automatic Coverage for “Special Events”
Automatic Additional Insureds
a. Athletic Activity Participants
b. Contractual Obligations
c. Funding Sources
d. Manager or Lessor of Premises
e. Owner, Manager, Operator, or Lessor of “Special Event” Premises
f. Supervisors or Higher in Rank – Co-Employee Exclusion Removed
g. Limitations
Blanket Waiver of Subrogation
Priority of Application for Multiple Insureds

The coverages listed in this endorsement are provided as extensions or additions to your insurance program.

A. BROADENED BODILY INJURY

Paragraph **3.** of **Section V – Definitions** is deleted and replaced with the following:

- 3.** “Bodily injury” means physical injury, sickness, or disease sustained by a person, including death resulting from any of these. “Bodily injury” also means mental injury, mental anguish, humiliation, or shock sustained by a person, if directly resulting from physical injury, sickness, or disease sustained by that person.

B. BROADENED PERSONAL AND ADVERTISING INJURY

- 1.** Paragraph **14.** of **Section V - Definitions** is deleted and replaced with the following:

14. “Personal and advertising injury” means injury, including consequential “bodily injury” arising out of one or more of the following offenses during the policy period.

- a.** False arrest, detention, or imprisonment;
- b.** Malicious prosecution or abuse of process;
- c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord, or lessor;
- d.** Oral, written, televised, videotaped, or electronic publication of material that slanders or libels a person or organization, or disparages a person's or organization's goods, products, or services;
- e.** Oral, written, televised, videotaped or electronic publication of material that violates a person's right of privacy;
- f.** Misappropriation of advertising ideas or style of doing business;
- g.** Infringement of copyright, title, or slogan; or
- h.** Mental injury, mental anguish, humiliation, or shock, if directly resulting from Items **14.a.** through **14.g.** above.

- 2.** Exclusions **2.b.** and **2.c.** under **Coverage B - Personal and Advertising Injury Liability** are deleted and replaced with the following:

b. Material Published with Knowledge of Falsity

“Personal and advertising injury” arising out of oral, written, televised, videotaped, or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity;

c. Material Published Prior to Policy Period

“Personal and advertising injury” arising out of oral, written, televised, videotaped, or electronic publication of material whose first publication took place before the beginning of the policy period;

C. BROADENED PROPERTY DAMAGE

Exclusion **2.a.** under **Coverage A - Bodily Injury and Property Damage Liability** is deleted and replaced with the following:

a. Expected Or Intended Injury

“Bodily injury” or “property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property.

D. BROADENED FIRE, LIGHTNING, EXPLOSION AND SPRINKLER LEAKAGE

- 1.** Paragraph **6.** under **Section III - Limits Of Insurance** is deleted and replaced with the following:

6. Subject to **5.** above, the Damage to Premises Rented to You Limit is the most we will pay under Coverage A for damages because of “property damage” to:

- a.** Any one premises while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner; and
- b.** Personal property of others in your care, custody, or control, while at premises rented to you or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one fire, lightning, explosion, or sprinkler leakage occurrence.

The Damage to Premises Rented to You Limit is the greater of:

c. \$500,000; or

d. The amount shown in the Declarations for Damage to Premises Rented to You Limit.

2. Paragraph **2. Exclusions of Coverage A - Bodily Injury and Property Damage Liability** is amended as follows:

Paragraphs **c.** through **n.**, do not apply to damage by fire, lightning, explosion, or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **Section III - Limits Of Insurance**.

3. Paragraph **4. Other Insurance of Section IV - Commercial General Liability Conditions** is amended as follows:

Paragraph **b.(1)(a)(ii)** is deleted and replaced with the following:

(ii) That is Fire, Lightning, Explosion, or Sprinkler Leakage insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

4. Paragraph **9.a.** under **Section V - Definitions** is deleted and replaced with the following:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

5. This Broadened Coverage is subject to all the terms of **Section III - Limits Of Insurance**.

6. This Broadened Coverage does not apply if Fire Damage Liability of **COVERAGE A (SECTION I)** is excluded either by the Declaration to this Coverage Part or by an endorsement to this Coverage Part.

E. BROADENED MEDICAL PAYMENTS

1. The following provision is added to Paragraph **2.** of **Section III - Limits Of Insurance**:

The Medical Expense Limit shall be the greater of:

a. \$20,000; or

b. The amount shown in the Declarations for Medical Expense Limit.

2. This Medical Expense Limit is subject to all the terms of **Section III - Limits Of Insurance**.

3. This above Medical Expense Limit does not apply if **Coverage C - Medical Payments** is excluded either by the Declaration to this Coverage Part or by an endorsement to this Coverage Part.

F. BROADENED SUPPLEMENTARY PAYMENTS

Paragraphs **1.b.** and **1.d.** under **Supplementary Payments - Coverages A and B** are deleted and replaced with the following:

b. Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$500 a day because of time off from work.

G. BROADENED NEWLY ACQUIRED OR FORMED ORGANIZATION

Paragraph **3.a** under **Section II - Who Is An Insured** is deleted and replaced by the following:

a. Coverage under this provision is afforded only until the 120th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

H. BROADENED NON-OWNED OR CHARTERED WATERCRAFT OR AIRCRAFT

Exclusion **2.g.** under **Coverage A - Bodily Injury and Property Damage Liability** is deleted and replaced by the following:

g. "Bodily injury" or "property damage" arising out of the ownership, maintenance, use, or entrustment to others of any aircraft, "auto," or watercraft owned by or operated by, or rented or loaned to, any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to premises you own or rent, provided the "auto" is not owned by or rented, or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance, or use of aircraft, watercraft, or "autos"; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph **f. (2)** or **f. (3)** of **Section V - Definitions**, Paragraph **12.**, "Mobile Equipment"; or
- (6) An aircraft you do not own that is:
 - (a) Hired, chartered, or loaned with a crew; and
 - (b) Not owned in whole or in part by any insured.
- (7) This insurance does not apply, under Paragraph **g.(1)** and **g.(2)** above, if the insured has any other insurance for "bodily injury" or "property damage" which would also apply to loss covered under this provision, whether the other insurance is primary, excess, contingent, or on any other basis.
- (8) This insurance is excess, under Paragraph **g.(6)** above, over any other insurance, whether the other insurance is primary, excess, contingent or on any other basis.

I. BROADENED COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Paragraph **2. Duties in The Event Of Occurrence, Offense, Claims Or Suit** under **Section IV - Commercial General Liability Conditions** is amended to add the following provision:
 - e. Your obligation to notify us as soon as practicable of an "occurrence," or offense under Paragraph **2.a.** above, or a claim or "suit" or offense under Paragraphs **2.a.**, **2.b.**, and **2.c** above, is satisfied if you send us written notice as soon as practicable after any of your "executive officers," directors, partners, insurance managers, or legal representatives becomes aware of, or should have become aware of, such "occurrence," offense, claim or "suit."
2. The following provisions are added to **Section IV - Commercial General Liability Conditions**:
 - 10. Liberalization**
If we adopt any revision that would broaden the coverage under this coverage part without additional premium within 30 days prior to or during the policy period, the broadened coverage will immediately apply to this coverage part.
 - 11. Notice To Company**
If you report an "occurrence" or offense to your Workers' Compensation insurer which later becomes a claim under this Coverage Part, failure to report such "occurrence" or offense to us at the time of the "occurrence" or offense will not be considered a violation of the **Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition**, if you notify us as soon as practicable when you become aware that the "occurrence" or offense has become a liability claim.

J. AUTOMATIC COVERAGE FOR SPECIAL EVENTS

1. You are automatically covered for all "special events" which you organize, promote, administer, sponsor, or conduct during the term of this policy.
2. **Section V - Definitions** is amended to add the following paragraph:
 - 23. "Special Event"** means any event:
 - a. The purpose of which is to raise funds for you; or
 - b. To recognize the accomplishments of your organization, your "employees," or your "volunteer workers"; or

- c. Which you, or an individual or organization with whom you have entered into a contract or agreement, organize, promote, administer, sponsor, or conduct for the purposes described in Paragraphs **a.** or **b.** above; and
- d. Which takes place on premises owned by you, or on premises while rented or leased to you or to that organization described in Paragraph **c.** above.

K. AUTOMATIC ADDITIONAL INSURED(S)

The following provisions are added to **Section II - Who Is An Insured**:

4. Automatic Additional Insured(s)

a. Additional Insureds - Athletic Activity Participants

- (1) This policy is amended to include as an insured any person(s) [hereinafter called Additional Insured(s)] representing you while participating in amateur athletic activities that you sponsor. However, no such person is an insured for:
 - (a) "Medical expenses" under **Coverage C - Medical Payments**.
 - (b) "Bodily Injury" to:
 - (i) A co-participant, your "volunteer worker" or your "employee" while participating in amateur athletic activities that you sponsor; or
 - (ii) You, or any partner or member, (if you are a partnership or joint venture), or any member (if you are a limited liability company); or
 - (c) "Property damage" to property owned by, occupied or used by, rented to, in the care, custody, or control of, or over which physical control is being exercised for any purpose by:
 - (i) A co-participant, your "volunteer worker", or your "employee"; or
 - (ii) You, or any partner or member, (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Additional Insured - Contractual Obligations

- (1) This policy is amended to include as an insured any person or organization (hereinafter called Additional Insured) that you are required by a written "insured contract" to include as an insured, subject to all of the following provisions:
 - (a) Coverage is limited to liability arising out of:
 - (1) Your ongoing operations performed for such Additional Insured; or
 - (2) Such Additional Insured's financial control of you; or
 - (3) The maintenance, operation or use by you of equipment leased to you by such Additional Insured; or
 - (4) A permit issued to you by a state or political subdivision.
 - (b) Coverage does not apply to any "occurrence" or offense:
 - (i) Which took place before the execution of, or subsequent to the completion or expiration of, the written "insured contract"; or
 - (ii) Which takes place after you cease to be a tenant in that premises.
 - (c) With respect to architects, engineers, or surveyors, coverage does not apply to "Bodily Injury," "Property Damage," "Personal Injury," or "Advertising Injury" arising out of the rendering or the failure to render any professional services by or for you including:
 - (i) The preparing, approving, or failing to approve or prepare maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and
 - (ii) Supervisory, inspection, or engineering services.
 - (d) Coverage provided herein shall be considered excess over any other valid and collectible insurance available to the Additional Insured whether that other insurance is primary, excess, contingent, or on any other basis unless a written contractual arrangement specifically requires this insurance to be primary.

- (e) In the event that you are engaged in the manufacture or assembly of any goods or products for the benefit or at the direction of another party, pursuant to a contract or agreement with that party, this paragraph (e). does not extend coverage to that party as an Additional Insured. Coverage for such a party will be extended only by a specific endorsement issued by us and naming such party.

c. Additional Insured - Funding Sources

- (1) This policy is amended to include as an insured any Funding Source (hereinafter called Additional Insured) which requires you in a written contract to name such Additional Insured but only with respect to liability arising out of your premises or "your work" for such Additional Insured, and only to the extent set forth as follows:
 - (a) The Limits of Insurance applicable to the Additional Insured are the lesser of those specified in the written contract or agreement or in the Declarations for this policy and subject to all the terms, conditions and exclusions for this policy. The Limits of Insurance applicable to the Additional Insured are inclusive of, and not in addition to, the Limits of Insurance shown in the Declarations.
 - (b) The coverage provided to the Additional Insured is not greater than that customarily provided by the policy forms specified in and required by the contract.
 - (c) In no event shall the coverages or Limits of Insurance in this Coverage Form be increased by such contract.
 - (d) Coverage provided herein shall be considered excess over any other valid and collectible insurance available to the Additional Insured whether that other insurance is primary, excess, contingent, or on any other basis unless a written contractual arrangement specifically requires this insurance to be primary.

d. Additional Insured - Manager or Lessor of Premises

- (1) This policy is amended to include as an insured any person or organization (hereinafter called Additional Insured) from whom you lease or rent your premises and which requires you to add such person or organization as an Additional Insured in this policy under:
 - (a) A written contract; or
 - (b) An oral agreement or contract where a Certificate of Insurance has been issued showing that person or organization as an Additional Insured;
 but only if the written or oral agreement is an "insured contract";
 - (a) Currently in effect or to become effective during the term of this policy; and
 - (b) Executed prior to the "bodily injury," "property damage," "personal injury", or "advertising injury."
- (2) With respect to the insurance afforded the Additional Insured identified in Paragraph d.(1) immediately above, the following additional provisions apply:
 - (a) This insurance applies only to liability arising out of the ownership, maintenance, or use of that portion of the premises leased to you;
 - (b) The Limits of Insurance applicable to the Additional Insured are the lesser of those specified in the written contract or agreement or in the Declarations for this policy and subject to all this policy's terms, conditions, and exclusions. The Limits of Insurance applicable to the Additional Insured are inclusive of, not in addition to, the Limits of Insurance shown in the Declarations.
 - (c) In no event shall the coverages or Limits of Insurance in this Coverage Part be increased by such contract or agreement.
 - (d) Coverage provided herein shall be considered excess over any other valid and collectible insurance available to the Additional Insured whether that other insurance is primary, excess, contingent, or on any other basis unless a written contractual arrangement specifically requires this insurance to be primary.
- (3) This insurance does not apply to:
 - (a) Any "occurrence" or offense which takes place after you cease to be a tenant in the premises covered by this endorsement; or

- (b) Structural alterations, new construction, or demolition operations performed by or on behalf of the Additional Insured.

e. Additional Insured - Owner, Manager, Operator or Lessor of "Special Events" Premises

- (1) This policy is amended to include as an insured any person or organization (hereinafter called Additional Insured) from whom you lease, rent or occupy the premises upon which a "special event" is held, sponsored or conducted by you, or on your behalf, under:
 - (a) A written contract; or
 - (b) An oral agreement or contract where a Certificate of Insurance has been issued showing that person or organization as an Additional Insured; but only if the written or oral agreement is an "insured contract,"
 - (i) Currently in effect or to become effective during the term of this policy; and
 - (ii) Executed prior to the "bodily injury", "property damage" or "personal and advertising injury".
- (2) With respect to the insurance afforded the Additional Insured identified in Paragraph **e. (1)** of this endorsement, the following additional provisions apply:
 - (a) This insurance applies only to liability arising out of the use of that portion of the premises while leased or rented to you for the specific "special event";
 - (b) The Limits of Insurance applicable to the Additional Insured are the lesser of those specified in the contract or agreement pertaining to the use of the premises or in the Declarations for this policy and subject to all of this policy's terms, conditions, and exclusions. The Limits of Insurance applicable to the Additional Insured are inclusive of, not in addition to, the Limits of Insurance shown in the Declarations.
 - (c) In no event shall the coverage or Limits of Insurance in this Coverage Form be increased by such contract or agreement.
 - (d) Coverage provided herein shall be considered excess over any other valid and collectible insurance available to the Additional Insured whether that other insurance is primary, excess, contingent, or on any other basis unless a written contractual arrangement specifically requires this insurance to be primary.
- (3) This insurance does not apply to:
 - (a) Any "occurrence" or offense which takes place after you cease to be a tenant, licensee or occupant in the premises covered by this endorsement; or
 - (b) Any acts or "occurrences" caused by or attributable to the owner, manager, operator, or lessor of the premises upon which the "special event" is held.

f. Additional Insured - Supervisors or Higher in Rank

- (1) This policy is amended to include as insured any "employees" (hereinafter called Additional Insured), designated as supervisor or higher in rank, who are authorized by you to exercise direct or indirect supervision and control over "employees" and the manner in which work is performed, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" designated as supervisor or higher in rank, is an insured for:
 - (a) "Bodily injury" or "personal injury":
 - (i) To you, to your partners or members (if you are a partnership or joint venture), or to your members (if you are a limited liability company);
 - (ii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraph **(a)(i)** above; or
 - (iii) Arising out of his or her providing or failing to provide professional health care services.
 - (b) "Personal Injury":
 - (i) To a co-"employee" while in the course of his or her employment;
 - (ii) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph **(b)(i)** above; or

(iii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (b)(i) or (b)(ii) above.

(c) "Property damage" to property:

(i) Owned, occupied or used by; or

(ii) Rented to, in the care, custody, or control of, or over which physical control is being exercised for any purpose by you, any of your "employees," any partner, or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

g. Additional Insured - LIMITATIONS

(1) The persons, entities, or organizations to which coverage is extended under Paragraphs a. (Athletic Activity Participants), b. (Contractual Obligations), c. (Funding Sources), d. (Managers or Lessors of Premises), and e. (Owner, Manager, Operator, or Lessor of "Special Events" Premises) are Additional Insureds, but only:

(a) With respect to each Additional Insured's vicarious liability for "actual damages" solely caused by you or by "your work" that is ongoing for such Additional Insured's supervision of "your work"; and

(b) If the Additional Insured did not cause or contribute to the "occurrence" or act resulting in liability.

(2) If an endorsement is attached to this policy and specifically names a person or organization as an Additional Insured, then the coverage extended under this paragraph **4. AUTOMATIC ADDITIONAL INSURED(S)** does not apply to that person, entity, or organization.

(3) The following is added to **Section V - Definitions**:

24. "Actual Damages" is to have its usual and customary legal meaning and excludes without limitation, punitive damages, restitution, penalties, and formula damages added to "actual damages" and any other enhanced damages.

(4) All other terms and conditions of this Coverage Part which are not inconsistent with this Paragraph h. apply to coverage extended to the above referenced Additional Insureds REGARDLESS OF WHETHER OR NOT A COPY OF THIS COVERAGE PART AND/OR ITS ENDORSEMENTS ARE DELIVERED TO AN ADDITIONAL INSURED.

L. BLANKET WAIVER OF SUBROGATION

Paragraph 8. under **Section IV - Commercial General Liability Conditions** is deleted and replaced with the following:

8. Transfer of Rights Of Recovery Against Others To Us And Blanket Waiver Of Subrogation

- a. If an insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If required by written "insured contract," we waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract for that person or organization and included in the "products-completed operations hazard."

M. PRIORITY OF APPLICATION FOR MULTIPLE INSUREDS

Section III - Limits Of Insurance is amended to add the following paragraph:

8. In the event a claim or "suit" is brought against more than one insured, due to "bodily injury" or "property damage" from the same "occurrence," or "personal injury," or "advertising injury," from the same offense, we will apply the Limits of Insurance in the following order:

- a. You;
- b. Your "executive officers," directors, "employees," and
- c. Any other insureds in any order that we choose.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

EMPLOYEE BENEFITS LIABILITY COVERAGE CLAIMS-MADE DISCLOSURE FORM

IMPORTANT NOTICE TO POLICYHOLDERS

THIS DISCLOSURE FORM IS NOT YOUR POLICY. IT DESCRIBES SOME OF THE MAJOR FEATURES OF OUR EMPLOYEE BENEFITS LIABILITY COVERAGE ENDORSEMENT THAT PROVIDES CLAIMS-MADE COVERAGE. READ YOUR POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS AND IS NOT COVERED. ONLY THE PROVISIONS OF YOUR POLICY AS ENDORSED DETERMINE THE SCOPE OF YOUR INSURANCE PROTECTION.

YOUR COVERAGE

Your Employee Benefits Liability Coverage Endorsement provides coverage on a claims-made basis. It provides coverage only for injury or damage occurring after the policy retroactive date (if any) shown on your endorsement and the incident is reported to your insurer prior to the end of the policy period. Upon termination of your policy an extended reporting period option is available from your insurer.

There is no difference in the kind of injury or damage covered by occurrence or claims-made policies. Claims for damages may be assigned to different policy periods, depending on which type of policy you have.

If you make a claim under your claims-made policy, the claim must be a demand for damages by an injured party and does not have to be in writing. Under most circumstances, a claim is considered made when it is received and recorded by you or by us. Sometimes, a claim may be deemed made at an earlier time. This can happen when another claim for the same injury or damage has already been made, or when the claim is received and recorded during an extended reporting period.

PRINCIPAL BENEFITS

Your Employee Benefits Liability Coverage Endorsement adds coverage for damages resulting from any act, error, or omission committed in the administration of your employee benefits program, up to the maximum dollar limit specified in the endorsement, to your general liability policy.

The principal benefits and coverages are explained in detail in your policy as endorsed. Please read it carefully and consult your insurance producer about any questions you may have.

EXCEPTIONS, REDUCTIONS AND LIMITATIONS

Your policy contains certain exceptions, reductions and limitations. Please read them carefully and consult your insurance producer about any questions you might have.

RENEWALS AND EXTENDED REPORTING PERIODS

Your claims-made policy has some unique features relating to renewal, extended reporting periods and coverage for events with long periods of potential liability exposure.

If there is a retroactive date shown on the endorsement schedule then, no event or occurrence prior to that date will be covered under the policy even if reported during the policy period. It is therefore important for you to be certain that there are no gaps in your insurance coverage. These gaps can occur in several ways. Among the most common are:

1. If you switch from an occurrence policy to a claims-made coverage, the retroactive date in your claims-made policy should be no later than the expiration date of the occurrence policy.
2. When replacing claims-made coverage with a claims-made policy, you should consider the following:
 - a. The retroactive date in the replacement policy should extend far enough back in time to cover any events with long periods of liability exposure; or
 - b. If the retroactive date in the replacement policy does not extend far enough back in time to cover events with long periods of liability exposure, you should consider purchasing extended reporting period coverage under the old policy providing claims-made coverage.
3. If you replace this claims-made coverage with an occurrence policy, you may not have insurance coverage for a claim arising during the period of claims-made coverage unless you have purchased an extended reporting period under the claims-made policy. Extended reporting period coverage must be offered to you by law for at least one year after the expiration of the claims-made policy at a premium not to exceed 200% of your last policy premium.

CAREFULLY REVIEW YOUR POLICY AS ENDORSED REGARDING THE AVAILABLE EXTENDED REPORTING PERIOD COVERAGE, INCLUDING THE LENGTH OF COVERAGE, THE PRICE AND THE TIME PERIOD DURING WHICH YOU MUST PURCHASE OR ACCEPT ANY OFFER FOR EXTENDED REPORTING PERIOD COVERAGE.

IMPORTANT INFORMATION

Consumer Affairs – California

Because of the complicated nature of the insurance business, there may be times when you will have questions regarding your coverage or the premium charged, or a problem may arise with your policy. If this occurs we urge you to contact either your agent or broker to answer your question or resolve your problem. However, if you are unable to receive a satisfactory answer or resolution to your problem, please contact us directly.

If after contacting your agent or broker and us, your insurance company, you are still not satisfied, you may contact the following State Agency:

**CALIFORNIA DEPARTMENT OF INSURANCE
CONSUMER AFFAIRS UNIT
300 South Spring Street
Los Angeles, CA 90013
Toll Free Number: 1-800-927-HELP (Calif. Only)**