



April 27, 2022

Jackie Skinner
Tyler County Auditor
PO BOX 2039
Woodville, TX 75979

Re: Tyler County – Liability Renewal

Thank you for choosing the Texas Association of Counties Risk Management Pool (TAC RMP) for your liability coverage needs for 2022. TAC RMP is proud to provide its members the most comprehensive coverages and risk solutions available.

The TAC RMP Board of Directors approved the following coverage changes effective October 1, 2021. These were included in the recent Chapter 119 letter sent out at the end of July with the changes made. Below are the two revisions mentioned in the letter for Public Officials Liability coverage.

Public Officials Liability

- Section I - Claims Made Coverage Agreement: Payment and Defense, B. Defense, Settlement, and Allocation of Damages
 - Added new subsection 9. The Pool will not pay Damages for any Claims where such payments are prohibited by federal or state statute or other applicable law. This condition was added due to recent legislation that excludes coverage for Damages that are prohibited by any federal, state, or other law.
 - Section was renumbered below for new subsection that was added.
- Section II- Definitions
 - G. Damages
 - Added language to clarify Damages does not include fees collected by the Member. This has been the intent and language was added to clarify.

The Pool renewed over 350 liability renewals and maintains a 99% renewal retention rate. Your participation in the TAC RMP is what makes our Pool successful. With your continued support, TAC RMP is able to offer competitive and stable rates and maximize coverage options for all program members.

As we look forward to another successful year, here are a few things coming in 2022:

- Prioritized and resumed deployment of the Law Enforcement Driving Simulator
- Introduction of the Situational Threat Assessment and Reasonable Response (STARR) Law Enforcement Training Program formerly Resistance Response Simulator
- Member hosted Regional Workshops (August-November 2022)
- Access to online training courses (currently in development)

Your renewal coverage is based on information we obtained from the renewal questionnaire. Please review your renewal and all attached schedules for accuracy.

If you have any questions, please do not hesitate to contact me for an onsite review. If you have any questions or updates related to your coverage, please contact your Member Services Representative for assistance.

Sincerely,

A handwritten signature in cursive script that reads "Lisa McCaig".

Lisa McCaig

Risk Management Consultant



TEXAS ASSOCIATION of COUNTIES RISK MANAGEMENT POOL

INVOICE

Tyler County
Attn: Jackie Skinner
PO BOX 2039
Woodville, TX 75979

Invoice Due Date: July 1, 2022

Invoice #: 36171

Coverage #: CAS-2290-20220701-1

Coverage Period: July 1, 2022 - July 1, 2023

Member Number: 2290

Contribution for the coverage below is now due.

Coverage	Invoice Number	Contribution Due
Auto Liability	NRCN-36171-AL	\$12,374
Auto Physical Damage	NRCN-36171-AP	\$27,101
General Liability	NRCN-36171-GL	\$5,725
Law Enforcement Liability	NRCN-36171-LE	\$23,285
Public Officials Liability	NRCN-36171-PO	\$17,847
Total Due:		\$86,332

Payment Remittance Form

Tyler County
Attn: Jackie Skinner
PO BOX 2039
Woodville, TX 75979

Invoice Due Date: July 1, 2022

Invoice Number	Contribution Due
NRCN-36171-AL	\$12,374
NRCN-36171-AP	\$27,101
NRCN-36171-GL	\$5,725
NRCN-36171-LE	\$23,285
NRCN-36171-PO	\$17,847
Total Due:	\$86,332

If the total amount enclosed is not \$86,332,
please use the notes section below to explain:

Amount Enclosed: _____

Please make checks payable to:

Texas Association of Counties Risk Management Pool
Box # 2426
San Antonio, TX 78298-9900

04/27/2022



TEXAS ASSOCIATION of COUNTIES RISK MANAGEMENT POOL

Liability Contribution & Coverage Declarations

Member: Tyler County

Coverage Period: July 1, 2022 through July 1, 2023

This Contribution & Coverage Declarations (CCD) is part of the Coverage Documents between the Texas Association of Counties Risk Management Pool (Pool) and the Named Member shown above, subject to the terms, conditions, definitions, exclusions, and sub-limits contained in the Coverage Documents, any endorsements, and the Interlocal Participation Agreement (IPA).

AUTO LIABILITY	Limits of Liability	Deductible Per Occurrence	Contribution
Bodily Injury Liability - Each Person	\$100,000	\$0	\$12,374
Bodily Injury Liability - Each Accident	\$300,000		
Property Damage Liability - Each Accident	\$100,000		
Included Coverage			
Personal Injury Protection	\$5,000	No deductible	Included
AUTO LIABILITY CONTRIBUTION			\$12,374

AUTO PHYSICAL DAMAGE	Limits of Liability	Deductible Per Covered Auto	Contribution
Comprehensive Coverage	The lesser of the Actual Cash Value at time of loss or cost of repair with like kind and quality	\$1,000	\$27,101
Collision Coverage	The lesser of the Actual Cash Value at time of loss or cost of repair with like kind and quality	\$1,000	
AUTO PHYSICAL DAMAGE CONTRIBUTION			\$27,101

GENERAL LIABILITY	Limits of Liability	Deductible Per Occurrence	Contribution
Bodily Injury Liability - Each Person	\$100,000	\$0	\$5,725
Bodily Injury Liability - Each Accident	\$300,000		
Property Damage Liability - Each Accident	\$100,000		
Included Coverage			
Personal and Advertising Injury Liability Per Person	\$100,000	\$0	Included
Per Offense / Aggregate	\$300,000		
Crisis Management	\$100,000	\$0	Included
Employee Benefits Liability	\$500,000	\$1,000	Included
Garage Keeper's Legal Liability	\$50,000	\$1,000	Included
GENERAL LIABILITY CONTRIBUTION			\$5,725

LAW ENFORCEMENT LIABILITY	Retroactive Date	Limits of Liability	Deductible Per Claim	Contribution
Law Enforcement Liability	Full Prior Acts	\$2,000,000 Per Claim \$2,000,000 Aggregate	\$5,000	\$22,785
Optional Coverage				
District Judge	01/01/2008	Per Endorsement		\$500
Covered Law Enforcement Departments or Agency				
Tyler County Constable's Offices Tyler County Employees Of The District Attorney's Office Tyler County Juvenile Probation Department Tyler County Sheriff's Office				
LAW ENFORCEMENT LIABILITY CONTRIBUTION				\$23,285

PUBLIC OFFICIALS LIABILITY	Retroactive Date	Limits of Liability	Deductible Per Claim	Contribution
Public Officials Liability	Full Prior Acts	\$2,000,000 Per Claim \$2,000,000 Aggregate	\$5,000	\$16,847
Privacy or Security Event Liability and Expense Coverage	07/01/2018	\$2,000,000 General Aggregate	\$5,000	
Optional Coverage				
District Judge	01/01/2008	Per Endorsement		\$500
District Attorney	01/01/2008	Per Endorsement		\$500
Split Coverage Retroactive Coverage Dates				
Privacy or Security Event Liability and Expense Coverage	05/01/2015	\$1,000,000 General Aggregate		
PUBLIC OFFICIALS LIABILITY CONTRIBUTION				\$17,847

TOTAL CONTRIBUTIONS	\$86,332
This is not an invoice. An invoice will be submitted to the Pool Coordinator.	

NOTICE OF ACCIDENT/CLAIM

Notice of an accident or claim (including service of process, if any) is to be delivered immediately to the Pool via the Texas Association of Counties Claims Department at:

Texas Association of Counties
Attention: CLAIMS
P. O. Box 2131
Austin, Texas 78768
Fax Number: 512-615-8942
Email: claims-cs@county.org

Any notice of claim and/or related documents should be mailed to the above immediately or by fax or email.

CONDITIONS

Coverage: This CCD is to outline limits, deductibles, and contributions only. All coverage is subject to the terms, conditions, definitions, exclusions, and sub-limits described in the Coverage Documents, any endorsements, and the IPA.

Claims Reporting: The Named Member shall submit claims to the Pool as set forth in each applicable Coverage Document or as otherwise required by the Pool or state law.

Failure to Maintain Coverage: The Named Member's failure to maintain at least one coverage through the Pool will result in the automatic and immediate termination of the IPA.

Named Member Compliance: By executing the IPA, the Named Member agrees to comply with and abide by the Pool's Bylaws, applicable Coverage Documents, and the Pool's policies, as now in effect and as amended.

Payment of Annual Contribution: The Named Member shall pay contributions as outlined on invoices and as per the terms of the IPA.

Pool's Right to Audit: The Pool has the right, but no obligation, to audit and inspect the Named Member's operations and property at any time upon reasonable notice and during regular business hours, as the Pool deems necessary to protect the interest of the Pool.

Property Appraisal: Property coverage is blanket and based on Replacement Cost. The Pool will provide a formal physical appraisal of the Member's property on a periodic basis and the Member agrees to accept the values provided by the Pool's appraisal firm. Member agrees to report all buildings and contents prior to renewal.

Pool Coordinator: The Named Member shall appoint a Pool Coordinator. The name of the Pool Coordinator and the address for which notices may be given by the Pool shall be set forth in the space provided at the end of the IPA. The Pool Coordinator shall promptly provide the Pool with any required information.

The Named Member may change its Pool Coordinator and the address for notice by giving written notice to Pool of the change before the effective date of the change.


Any failure or omission of the Named Member's Pool Coordinator shall be deemed a failure or omission of the Named Member. The Pool is not required to contact any other individual regarding the Named Member's business except the named Pool Coordinator unless notice or contact to another individual is required by applicable law. Any notice given by Pool or its contractor to the Pool Coordinator or such individual as is designated by law for a particular notice, shall be deemed notice to the Named Member.

Split Retroactive Coverage Dates: Means the period of time between the Split Retroactive Coverage Dates shown on the CCD and the Retroactive Date shown on the CCD.

Submission of Information: The Named Member shall timely submit to the Pool documentation necessary for the Pool to use to determine the risk to be covered for the next renewal period and to properly underwrite the risk exposure. The Pool will provide forms identifying the information requested.

Termination and Renewal: The coverage outlined in this CCD may be terminated or not renewed by either party as outlined in the IPA or applicable Coverage Document.

Termination for Failure to Pay: Notwithstanding any other provision in the IPA, if any payment or contribution for coverage owed by the Named Member to the Pool is not paid as required by the IPA, the Pool may cancel coverage or terminate coverage and the IPA, as the Pool deems appropriate, in accordance with the Pool's Bylaws and the applicable Coverage Document. The Named Member shall remain obligated for such unpaid contribution or charge for the period preceding termination.

This declaration is issued by  as authorized representative of the Pool on 04/27/2022 in Austin, Texas.

AUTO LIABILITY

PERSONAL INJURY PROTECTION COVERAGE ENDORSEMENT

This endorsement provides coverage in addition to that provided under the Auto Liability Coverage Document. This endorsement modifies the Auto Liability Coverage Document to which it is attached. Certain terms used herein have meanings different than similar terms used in other documents and endorsements forming a part of the Coverage Document.

Coverage	Limits of Liability	Deductible
Personal Injury Protection	\$5,000 each Person	No deductible unless otherwise specified on CCD
Description of Covered Autos: See H.1 <u>Additional Definitions</u> Below		

A. COVERAGE AGREEMENT

The Pool will pay Personal Injury Protection benefits because of Bodily Injury:

1. Resulting from a motor vehicle Accident; and
2. Sustained by a Covered Person.

The Pool's payment will only be for Losses or expenses incurred within three years from the date of Accident.

Personal Injury Protection benefits consist of:

1. Necessary expenses for medical and funeral services.
2. Eighty percent of a Covered Person's Loss of Income from employment. These benefits apply only if, at the time of the Accident, the Covered Person:
 - a. Was an income producer; and
 - b. Was in an occupational status.

These benefits do not apply to any Loss after the Covered Person dies.

3. Reasonable expenses incurred for obtaining services. These services must replace those a Covered Person would normally have performed:
 - a. Without pay;

- b. During a period of disability; and
- c. For the care and maintenance of the family or household.

These benefits would apply if, at the time of the Accident, the Covered Person:

- a. Was not an income producer; and
- b. Was not in an occupational status.

These benefits will not apply to any Loss after the Covered Person dies.

B. EXCLUSIONS

The Pool does not provide Personal Injury Protection Coverage for any Person for Bodily Injury sustained:

1. In an Accident caused intentionally by that Person.
2. By that Person while in the commission of a felony.
3. By that Person while attempting to elude arrest by a law enforcement official.
4. To any employee of the Named Member, who is injured in the course and scope of his or her employment.

C. WHO IS A COVERED PERSON

For purposes of this Personal Injury Protection Coverage, Covered Person shall mean:

1. The Named Member's Officials, employees, Volunteers and any of their family members, while Occupying or when struck by a Covered Auto.
2. Anyone else Occupying a Covered Auto with the Named Member's permission and within the scope of that permission.

D. LIMITS OF LIABILITY

Regardless of the number of owned Covered Autos, Covered Persons, contributions paid, claims made or vehicles involved in the Accident, the most the Pool will pay for Bodily Injury for each Covered Person in any one Accident is the Limit of Liability shown in the Auto Liability Coverage Document or CCD.

If a Person receiving payment under this Personal Injury Protection Coverage Endorsement is also making a claim against the Named Member or another Covered Person under the Bodily Injury provisions of the Auto Liability Coverage Document, or against the Pool under the Bodily Injury provisions of the Uninsured/Underinsured Motorists Coverage Endorsement of the Auto Liability Coverage Document, such Named Member, other Covered Person and the Pool shall be entitled to an offset, credit or deduction against any award made under the Auto Liability Coverage Document or the Uninsured/Motorists Coverage Endorsement to such recipient in an amount equal to the amount paid to such recipient under this Personal Injury Protection Coverage Endorsement. The Auto Liability Coverage Document and the Uninsured/Underinsured Motorists Coverage Endorsement of – the Auto Liability Coverage Document are hereby amended accordingly; provided, however, nothing herein shall be construed to authorize a direct action against the Pool.

E. CONDITIONS

The CONDITIONS found in the Auto Liability Coverage Document are changed for Personal Injury Protection as follows:

1. Condition L.2, DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT, OR LOSS is changed by adding the following:
 - d. At the Pool's request, give to the Pool a written proof of claim, under oath if required, including full particulars of the nature and extent of the Accident, injuries, treatment and any other details relevant to the Pool's determination of benefits payable hereunder. Proof of claim shall be made on forms furnished by the Pool unless, within 15 days after receiving notice of the claim, the Pool has failed to furnish such forms. In such event, notice shall be given in letter form.
 - e. At the Pool's request, submit to examination under oath by any Person selected by the Pool, as often as may be reasonably required.
 - f. Provide or authorize the Pool to obtain medical records or pertinent information.
 - g. Submit to physical or mental examination, at the Pool's request, by physicians of the Pool's choice, when and as often as the Pool reasonably requests.
2. Condition N., TRANSFER OF RIGHTS OF RECOVERY AGAINST ANOTHER TO THE POOL does not apply.
3. Condition R., OTHER COVERAGE OR INSURANCE, is changed by adding the following:

If there is other Personal Injury Protection insurance, the Pool will pay only its share. The Pool's share is the proportion that its Limit of Liability bears to the total of all applicable limits. However, any coverage the Pool provides with respect to a vehicle the Named Member does not own shall be excess over any other collectible Personal Injury Protection coverage.

F. PAYMENT PROVISION

Benefits payable under this coverage, including those for Loss of Income, are only payable within 30 days after satisfactory proof thereof is received by the Pool. Subject to such proof of claim:

1. Accrued Medical Expenses and benefits for Loss of Income are payable not more frequently than every two weeks;
2. Any benefits for a period of less than two weeks for which the company is liable are payable at termination of the disability period.

Payments will be made to the Person who is disabled or, if the disabled Person is an unemancipated minor, to the parent or guardian who has custody of such minor within 30 days after satisfactory proof of parentage or guardianship is received by the Pool.

G. ASSIGNMENT OF BENEFITS

Payments for medical benefits will be paid directly to a physician or other health care provider if the Pool receives a written assignment signed by the Covered Person to whom such benefits are payable.

H. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section and have special meaning for Personal Injury Protection.

1. **Covered Auto** means an Auto which is:
 - a. Owned or leased by the Named Member; or
 - b. Temporarily used by the Named Member as a substitute for an Auto owned or leased by the Named Member that has been withdrawn from normal use because of its breakdown, repair, servicing, Loss or destruction; and

Liability coverage under this Coverage Document must apply to the Covered Auto.

Covered Auto shall not include:

- a. Any Auto while used as a livery or public conveyance, unless, prior to the Accident, such use is specifically declared and described in the CCD or otherwise approved in writing by the Pool;
- b. Any Auto which is not being used with the Named Member's permission; or the use of which is outside the scope of the Named Member's permission.

2. **Loss of Income** is the difference between:

- a. Income which would have been earned had the Covered Person not been injured; and
- b. The amount of income actually received from employment during the disability.

If the income being earned as of the date of Accident is a salary or fixed remuneration, it shall be used in determining the amount of income which would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the Accident shall be used.

3. **Medical Expenses** means expenses for necessary medical, surgical, x-ray, and dental services, including prosthetic devices, and necessary ambulance, hospital, professional nursing and funeral services.
4. **Occupying** means in, upon, getting in, on, out or off.
5. **Person** means a natural Person and not a corporation, partnership, association, organization or business name.

LAW ENFORCEMENT LIABILITY

DISTRICT JUDGE ENDORSEMENT

Coverage Agreement - Subject to the limits shown in the Coverage Document, coverage is extended to cover a district judge, as described in this endorsement.

SECTION II - DEFINITIONS, Section N, Member, is amended to read:

N. Member - means only the following:

1. The Named Member;
2. Each Law Enforcement Department or Agency named in the CCD and which is duly constituted and operating under the jurisdiction of the Named Member;
3. The individual law enforcement officers or other employees or volunteers of each Law Enforcement Department or Agency set forth in the CCD as are regularly employed or officially engaged in Law Enforcement Activities for the Department or Agency.
4. Other public officials, employees and volunteers of Named Member, excluding the District Attorney or the District Judge, except as provided in Subsection 6 below, but only with respect to a Claim or Claims arising out of errors, omissions or negligent acts of:
 - a) the Law Enforcement Departments or Agencies named in the CCD and only with respect to the activities of these persons while in furtherance of the Law Enforcement Activities of the Named Member; or
 - b) public officials of the Named Member in the making of the decisions concerning the budgeting or other provision of county funds for the conduct of activities of Law Enforcement Departments or Agencies named in the CCD.
5. The Juvenile Board, but only if the Juvenile Board serves only the Named Member's county. If the Juvenile Board serves more than one county, the Juvenile Board is a Member only if each county represented on the Juvenile Board is a Member of the Pool. The individuals serving on the Juvenile Board are Members only if they are officials or employees or volunteers of the Named Member.
6. A district judge whose designated jurisdiction includes the Named Member is a Member, but only in his or her capacity as a member of a Juvenile Board, and only if the Juvenile Board or the Juvenile Probation Department that it oversees is listed in the CCD.

SECTION V - CONDITIONS is amended to add:

W. REPRESENTATION BY STATE OF TEXAS

The Pool has no duty to:

1. defend a Member for a Claim in which the State of Texas determines that it will defend Member, but the Pool will defend a Member if Member requests a defense from the State and the State declines to provide a defense; or
2. pay or indemnify for a Claim in which the State of Texas has the responsibility to pay or indemnify, or determines to settle on behalf of Member.

Nothing in this Coverage Document acts as a waiver of governmental or official immunity, which can only be waived by an act of the Texas Legislature.

PUBLIC OFFICIALS LIABILITY

DISTRICT JUDGE ENDORSEMENT

Coverage Agreement - Subject to the limits shown in the Coverage Document, coverage is extended to cover a district judge, as described in this endorsement.

SECTION II - DEFINITIONS, Section J, Member, is amended to read:

J. **Member** means (1) Named Member; (2) those persons, individually or collectively, acting within the scope of their Official Capacity who are duly elected or appointed officials or employees or volunteers of the Named Member; and (3) a board, committee or similar entity that (a) is created solely by the Named Member's governing body, (b) is comprised only of persons appointed by the Named Member's governing body, (c) serves only the Named Member's purposes, and (d) is funded at least in part by Named Member.

The Juvenile Board is a Member, but only if the Juvenile Board serves only the Named Member's county. If the Juvenile Board serves more than one county, the Juvenile Board is a Member only if each county represented on the Juvenile Board is a Member of the Pool. The individuals serving on the Juvenile Board are Members only if they are officials or employees or volunteers of the Named Member.

Except as provided below, the district attorney is not a Member, nor is a district judge. An individual serving as criminal district attorney, county/district attorney or another statutorily-created office that is, effectively, a combination of the offices of county attorney and district attorney is a Member, but only when performing functions performed by the County Attorney in a county that has a county attorney.

A district judge whose designated jurisdiction includes the Named Member county is a Member, but only when acting in a judicial capacity concerning a case filed in the jurisdiction of the Named Member, or when acting concerning administrative matters of either the Named Member or a Juvenile Board that serves the Named Member.

Anyone serving under a third party contract with the Named Member is not a Member.

SECTION VI - CONDITIONS is amended to add:

W. REPRESENTATION BY STATE OF TEXAS

The Pool has no duty to:

1. Defend a Member for a Claim in which the State of Texas determines that it will defend Member, but the Pool will defend a Member if Member requests a defense from the State and the State declines to provide a defense; or
2. Pay or indemnify for a Claim in which the State of Texas has the responsibility to pay or indemnify, or determines to settle on behalf of the Member.

Nothing in this Coverage Document acts as a waiver of governmental or official immunity, which can only be waived by an act of the Texas Legislature.

PUBLIC OFFICIALS LIABILITY

DISTRICT ATTORNEY ENDORSEMENT

Coverage Agreement - Subject to the Limits of Liability shown in the Coverage Document, coverage is extended to cover a district attorney, as described in this endorsement.

SECTION II - DEFINITIONS, Section J, Member, is amended to read:

J. **Member** means (1) Named Member; (2) those persons, individually or collectively, acting within the scope of their Official Capacity who are duly elected or appointed officials or employees or volunteers of the Named Member; and (3) a board, committee or similar entity that (a) is created solely by the Named Member's governing body, (b) is comprised only of persons appointed by the Named Member's governing body, (c) serves only the Named Member's purposes, and (d) is funded at least in part by Named Member.

The Juvenile Board is a Member, but only if the Juvenile Board serves only the Named Member's county. If the Juvenile Board serves more than one county, the Juvenile Board is a Member only if each county represented on the Juvenile Board is a Member of the Pool. The individuals serving on the Juvenile Board are Members only if they are officials or employees or volunteers of the Named Member.

Except as provided below, the district attorney is not a Member, nor is a district judge. An individual serving as criminal district attorney, county/district attorney or another statutorily-created office that is, effectively, a combination of the offices of county attorney and district attorney is a Member, but only when performing functions performed by the county attorney in a county that has a county attorney.

A district attorney whose designated jurisdiction includes the Named Member County is a Member, but only when acting in an official capacity concerning a case filed in the jurisdiction of the Named Member, or when acting concerning administrative matters of the Named Member.

Anyone serving under a third party contract with the Named Member is not a Member.

SECTION III - LIMITS OF LIABILITY, Section D.3, Prosecutor, is amended to read as follows:

3. Prosecutor. The Limits of Liability are inclusive of Claims Expenses for a Claim against the county attorney, district attorney, or other employees of the county attorney or other employees of the district attorney for malicious prosecution subject to a sublimit not to exceed \$500,000 per Claim and \$1,000,000 in the Aggregate.

SECTION VI - CONDITIONS is amended to add:

W. REPRESENTATION BY STATE OF TEXAS

The Pool has no duty to:

1. Defend a Member for a Claim in which the State of Texas determines that it will defend Member, but the Pool will defend a Member if Member requests a defense from the State and the State declines to provide a defense; or
2. Pay or indemnify for a Claim in which the State of Texas has the responsibility to pay or indemnify, or determines to settle on behalf of the Member.

Nothing in this Coverage Document acts as a waiver of governmental or official immunity, which can only be waived by an act of the Texas Legislature.

MEMBER

Tyler County
100 W Bluff St Ste 106
Woodville, TX 75979-5245

COVERAGE #	EFFECTIVE	EXPIRATION
CAS-2290-20220701-1	07/01/2022	07/01/2023

COVERED VEHICLE

All Member owned or leased vehicles

COVERAGE PROVIDED BY

Texas Association of Counties Risk Management Pool
P.O. Box 2131
Austin, Texas 78768-2131

TO REPORT A CLAIM

Mon. - Fri., 8 a.m. - 5 p.m.	800.456.5974
After business hours	855.472.5246

This vehicle meets the minimum liability insurance prescribed by the Texas Motor Vehicle Safety Responsibility Act. However, the Texas Transportation Code § 601.007 exempts a government vehicle and an officer, agent, or employee of a governmental entity driving a government vehicle on official duty from the requirements of the Act, including the duty to show evidence of liability insurance or financial responsibility.

MEMBER

Tyler County
100 W Bluff St Ste 106
Woodville, TX 75979-5245

COVERAGE #	EFFECTIVE	EXPIRATION
CAS-2290-20220701-1	07/01/2022	07/01/2023

COVERED VEHICLE

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100 W Bluff St Ste 106
Woodville, TX 75979-5245

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100 W Bluff St Ste 106
Woodville, TX 75979-5245

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CAS-2290-20220701-1	07/01/2022	07/01/2023

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All Member owned or leased vehicles

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This vehicle meets the minimum liability insurance prescribed by the Texas Motor Vehicle Safety Responsibility Act. However, the Texas Transportation Code § 601.007 exempts a government vehicle and an officer, agent, or employee of a governmental entity driving a government vehicle on official duty from the requirements of the Act, including the duty to show evidence of liability insurance or financial responsibility.



TEXAS ASSOCIATION of COUNTIES RISK MANAGEMENT POOL

Auto Schedule - Renewal

Member: Tyler County
 Coverage Period: July 1, 2022 to July 1, 2023

Personal Injury Protection
 Uninsured / Underinsured Motorist

ID #	Year	Make	Model	VIN #	Inventory #	Cost New	Class Code	Auto Liability	Auto Physical Damage		POV	EQUIP	Total Contribution
									Coll	Comp			
89	1995	DODGE	8 PASSENGER	2B4HB15X2SK565132		\$2,100	648100	\$139					\$139
Department: Adult Probation								Total Number of Vehicles: 1				\$139	
125	1997	OTHER	EAGLE MANLIFT TRAILER	4F6L12B13VA030032		\$3,000	684990	\$46	\$19	\$17			\$82
Department: Courthouse								Total Number of Vehicles: 1				\$82	
29	1993	FORD	FB F700 CARGO	1FDWK74C7PVA13306		\$2,000	214990	\$115					\$115
79	1992	INTERNATIONAL	FB 4700 NAVISTAR	1HT5AZPL2NH427346		\$2,200	214990	\$115					\$115
112	2006	OTHER	UTILITY TRAILER \$2k + \$75,000 GENERATOR	5SLBG17236R000137		\$77,000	694990	\$46	\$177	\$193			\$416
113	2006	OTHER	MQP UTILITY TRAILER \$2k+\$75000 GENERATOR	5SLBG17266R000116		\$77,000	694990	\$46	\$177	\$193			\$416
135	2018	CHEVROLET	SILVERADO	1GC1CUEG8JF188130		\$28,000	014990	\$92	\$96	\$86		X	\$274
Department: Emergency Management								Total Number of Vehicles: 5				\$1,337	
26	2003	FORD	ECONOLINE	1FBSS31L33HA03451		\$23,695	007912	\$139	\$115	\$77			\$331
90	1989	DODGE	VAN	2B7GB11Y9KK333303		\$100	007912	\$139					\$139
Department: Jail								Total Number of Vehicles: 2				\$469	
106	2001	DODGE	RAM	3B7HC13YX1G786520		\$5,060	014990	\$92					\$92
132	2006	CHEVROLET	SILVERADO	3GCEC14X76G253234		\$4,300	014990	\$92					\$92
133	1999	CHEVROLET	S10 PICK UP	1GCCS14X1XK154252		\$3,300	014990	\$92					\$92
144	2009	FORD	F150	1FTRF12859KB48113		\$8,270	014990	\$92	\$58	\$51			\$201
172	2008	FORD	F150	1FTRF12208KE32825		\$5,000	014990	\$92	\$58	\$51			\$201
178	2021	CHEVROLET	SILVERADO 2500	1GC2YLE74MF158501		\$34,799	014990	\$92	\$137	\$171			\$401
Department: Maintenance								Total Number of Vehicles: 6				\$1,080	
37	2012	FORD	F-150 PICKUP TRUCK	1FTNF1CF2CKD16714		\$17,110	014990	\$92	\$58	\$51			\$201
42	2003	FORD	CREW CAB	1FTRW07613KD13504		\$20,527	014990	\$92	\$58	\$51			\$201
49	1999	CHEVROLET	C3 3500 FLATBED	1GBJC34R6XF040052		\$5,605	014990	\$92					\$92
55	1995	CHEVROLET	CHEYENNE	1GCEC14HXSZ228850		\$3,475	014990	\$92					\$92
114	1998	OTHER	TRAIL MASTER 10' UTILITY	5BEBU1014WC107783		\$650	694990	\$46					\$46
118	1999	DODGE	RAM	3B7MF3666XM565535		\$9,731	014990	\$92	\$58	\$51			\$201

ID #	Year	Make	Model	VIN #	Inventory #	Cost New	Class Code	Auto Liability	Auto Physical Damage		POV	EQUIP	Total Contribution
									Coll	Comp			
119	2016	VOLVO	DUMP TRUCK	4V5KC9DGXGN958961		\$113,515	214990	\$115	\$240	\$257			\$612
128	2016	FORD	F250	1FT7W2A61GED29248		\$26,319	014990	\$92	\$96	\$86		X	\$274
131	2018	VOLVO	12 YARD DUMP TRUCK	4V5KC9DF4JN890431		\$145,000	214990	\$115	\$240	\$257			\$612
134	2018	CHEVROLET	SILVERADO	1GC1KUEG1JF238093		\$39,998	014990	\$92	\$96	\$86		X	\$274
158	2018	OTHER	RAM	3C7WRTAL4JG259553		\$40,874	214990	\$115	\$96	\$86			\$297
159	2020	OTHER	BIG TEX TRAILER	16VGX2523L6057492		\$10,512	694990	\$46	\$74	\$77			\$197
176	2022	MACK	DUMP TRUCK	1M2PN4GC4NM009612		\$145,467	214990	\$115	\$343	\$514			\$972
179	2022	FORD	F250	1FT7W2A64NEC16018		\$32,956	014990	\$92	\$137	\$171			\$401
Department: Precinct 1, Commissioner										Total Number of Vehicles: 14		\$4,473	
16	1985	OTHER	EAGER FB	112TXT209FA200078		\$3,200	684990	\$46					\$46
25	2006	DODGE	DAKOTA	1D7HW48N36S534671		\$7,064	014990	\$92	\$58	\$51			\$201
39	2008	FORD	F150	1FTRF12W68KC46807		\$15,840	014990	\$92	\$58	\$51			\$201
47	2010	FREIGHTLINER	TRUCK M2112	1FVHC5CV1ADAN9767		\$88,762	214990	\$115	\$177	\$193			\$486
54	2012	CHEVROLET	SILVERADO	1GC2CVCGXCZ207906		\$21,865	014990	\$92	\$58	\$51			\$201
101	2008	OTHER	DUMP TRUCK	2FZHAWBS28AY43864		\$75,741	214990	\$115	\$177	\$193			\$486
117	2012	DODGE	RAM	3C63DRAL4CG227570		\$23,470	014990	\$92	\$58	\$51			\$201
127	2017	CHEVROLET	SILVERADO	1GC2KUEG0HZ311998		\$29,370	014990	\$92	\$96	\$86			\$274
145	2018	CPS	BELLY DUMP TRAILER	5MC424018J3174247		\$33,960	684990	\$46	\$96	\$86			\$228
146	2019	MACK	TRUCK	1M1AN4GY5KM003951		\$125,850	214990	\$115	\$274	\$283			\$672
147	2019	OTHER	TRAILER LH 77X10 UT W/GATE	5J2US1017KE021133			684990	\$46					\$46
148	2019	OTHER	DIAMOND C 14' LPD 207 TRAILER	46UFU1426K121251		\$7,900	684990	\$46	\$66	\$57			\$168
151	2019	OTHER	UTILITY EQUIPMENT TRAILER	16VEX2227K2001296		\$6,417	684990	\$46					\$46
168	1911	OTHER	TRAILER W1241-WT-S2	5VUTV1720LP000019		\$8,652	694990	\$46	\$58	\$51			\$155
177	2022	MACK	MD642 TRUCK	1M2MDBAA3NS002552		\$91,280	214990	\$115	\$253	\$385			\$754
180	2022	CHEVROLET	SILVERADO	1GC5YLE74NF202138		\$40,130	014990	\$92	\$137	\$171			\$401
Department: Precinct 2, Commissioner										Total Number of Vehicles: 16		\$4,566	
1	1985	OTHER	HUMMER	0000000000001020	209		007912	\$139					\$139
2	1985	OTHER	HUMMER	00000000000008094	210		007912	\$139					\$139
4	1989	OTHER	HUMMER	00000000000063494	208		007912	\$139					\$139
10	1985	OTHER	DUMP TRUCK	00000000C52900850	211		214990	\$115					\$115
Department: Precinct 2, Constable										Total Number of Vehicles: 4		\$531	
17	1989	OTHER	GOOSE LB	16GL89F28KB030336		\$100	684990	\$46					\$46
44	2003	FORD	F150	1FTRW07683KD45558		\$16,867	014990	\$92	\$58	\$51			\$201
50	2015	CHEVROLET	SILVERADO	1GC1CUEG0FF571583		\$28,345	014990	\$92	\$96	\$86			\$274
84	2007	MACK	CHN613 DUMP TRUCK	1M2AJ06Y27N006423		\$83,980	214990	\$115	\$177	\$193			\$486
108	2001	FORD	F750 WATER TANK TRUCK	3FDXD75R11MA32012		\$17,900	214990	\$115					\$115
110	2010	OTHER	TOP DUMP TRAILER	4R7BD1021AT102186		\$3,800	684990	\$46					\$46

ID #	Year	Make	Model	VIN #	Inventory #	Cost New	Class Code	Auto Liability	Auto Physical Damage		POV	EQUIP	Total Contribution
									Coll	Comp			
120	2016	VOLVO	DUMP TRUCK	4V5KC9DG1GN958962		\$113,515	214990	\$115	\$240	\$257			\$612
122	2016	MACK	DUMP TRUCK	1M1AN09Y7GM022918		\$115,852	214990	\$115	\$240	\$257			\$612
130	2017	CHEVROLET	SILVERADO	1GB4KYCG6HF228553		\$32,915	014990	\$92	\$96	\$86			\$274
140	2019	OTHER	RAMPANT TRAILER	5SPTD3031KW2B0253		\$25,263	684990	\$46	\$110	\$94			\$250
143	2018	OTHER	HEFTY TRAILER 7X14 DUMP	5NKBU1429JP010329		\$6,655	684990	\$46	\$58	\$51			\$155
149	2020	CTS	BDT-40	5TU114023LS000117		\$36,150	684990	\$46	\$123	\$128			\$298
150	2019	MACK	PI64T	1M1PN4GY7KM001998		\$126,308	214990	\$115	\$274	\$283			\$672
152	2018	MACK	TRUCK	1M2PN4GC0KM002202		\$139,616	214990	\$115	\$240	\$257			\$612
163	2020	CHEVROLET	SILVERADO	1GC1YLE76LF186374		\$36,706	014990	\$92	\$123	\$128			\$344
Department: Precinct 3, Commissioner								Total Number of Vehicles: 15				\$4,997	
18	1990	OTHER	GOOSE LB	16GL89F2XLB030422		\$4,400	684990	\$46					\$46
34	2011	FORD	F250	1FT7W2A61BEA68714		\$22,294	014990	\$92	\$58	\$51			\$201
43	2003	FORD	PICKUP	1FTRW07663KC90110		\$20,334	014990	\$92	\$58	\$51			\$201
80	1983	INTERNATIONAL	1 TON TRUCK	1HTAA1750DHB12495		\$535	214990	\$115					\$115
82	1984	INTERNATIONAL	F1954 PICKUP	1HTLLUYR0EHA46120		\$500	014990	\$92					\$92
86	1995	MACK	DUMP TRUCK	1M2P267Y1SM025505		\$70,723	214990	\$115	\$129	\$128			\$373
129	2010	FORD	F250	1FTSX2B59AEB36883		\$6,950	014990	\$92	\$58	\$51			\$201
142	2019	CHEVROLET	SILVERADO	1GC1KREG3KF176999		\$31,920	014990	\$92	\$110	\$94			\$296
154	2019	MACK	TRUCK	1M1AN4GY1KM004174		\$156,519	214990	\$115	\$345	\$330	X		\$790
155	2019	CTS	BDT-40	5TU114029KS000296		\$32,225	684990	\$46	\$110	\$94			\$250
160	2021	MACK	P164T HAUL TRUCK	1M1PN4GY3MM007669		\$129,663	214990	\$115	\$343	\$514			\$972
161	2020	OTHER	BOTTOM DUMP CONSTRUCTION TRAILER	5TU114029LS000297		\$38,200	684990	\$46	\$123	\$128			\$298
162	2020	CHEVROLET	SILVERADO	1GC5YLE75LF245951		\$33,704	014990	\$92	\$123	\$128			\$344
170	2020	OTHER	BIG TEX TRAILER	16VGX252XL6032072		\$11,800	684990	\$46	\$74	\$77			\$197
171	2020	MACK	TRUCK	1M2PN4GC5LM006957		\$131,038	214990	\$115	\$308	\$385			\$809
173	2019	MACK	AN64T	1M1AN4GY2KM003647		\$124,399	214990	\$115	\$274	\$283			\$672
175	2021	FORD	F450	1FDUF4HN4MEC61000		\$49,052	214990	\$115	\$137	\$171			\$424
Department: Precinct 4, Commissioner								Total Number of Vehicles: 17				\$6,283	
51	2013	CHEVROLET	SILVERADO	1GC1CVCG6DF162932		\$24,756	014990	\$92	\$58	\$51			\$201
Department: Road & Bridge								Total Number of Vehicles: 1				\$201	
6	1995	OTHER	HUMMER	0000000000113170			007912	\$139					\$139
7	1991	OTHER	HUMMER	0000000000163054			007912	\$139					\$139
13	2013	FORD	EXPLORER POLICE INTERCEPTOR	1FM5K8R7DGA80661		\$39,237	007912	\$139	\$192	\$128			\$459
24	2005	DODGE	RAM	1D7HU18NX5S312938		\$30,070	007912	\$139	\$192	\$128			\$459
31	2013	FORD	EXPLORER POLICE INTERCEPTOR + EQUIPMENT	1FM5K8AR0DGA80663		\$39,237	007912	\$139	\$192	\$128	X		\$459

ID #	Year	Make	Model	VIN #	Inventory #	Cost New	Class Code	Auto Liability	Auto Physical Damage		POV	EQUIP	Total Contribution
									Coll	Comp			
33	2002	FORD	EXPEDITION	1FMRU15L72LA28640		\$8,642	007912	\$139	\$115	\$77			\$331
36	2013	FORD	F-150 PICKUP TRUCK	1FTFW1CF7DKE71894		\$22,478	007912	\$139	\$115	\$77			\$331
52	2015	CHEVROLET	SILVERADO	1GC1KUEG6FF576905		\$35,500	007912	\$139	\$192	\$128			\$459
53	2015	CHEVROLET	SILVERADO	1GC1KUEGXFF579029		\$35,500	007912	\$139	\$192	\$128			\$459
61	2014	CHEVROLET	TAHOE W/EQUIPMENT	1GNLC2E00ER199540		\$38,490	007912	\$139	\$192	\$128		X	\$459
64	2014	CHEVROLET	TAHOE W/EQUIPMENT	1GNLC2E01ER200369		\$38,490	007912	\$139	\$192	\$128		X	\$459
65	2014	CHEVROLET	TAHOE W/EQUIPMENT	1GNLC2E03ER200731		\$35,890	007912	\$139	\$192	\$128		X	\$459
67	2013	CHEVROLET	TAHOE	1GNLC2E04DR169102		\$26,281	007912	\$139	\$192	\$128			\$459
71	2015	CHEVROLET	TAHOE W/EQUIPMENT	1GNSK2EC0FR651495		\$37,185	007912	\$139	\$192	\$128		X	\$459
72	2015	CHEVROLET	TAHOE W/EQUIPMENT	1GNSK2EC2FR650946		\$37,185	007912	\$139	\$192	\$128		X	\$459
73	2015	CHEVROLET	TAHOE W/EQUIPMENT	1GNSK2EC2FR651711		\$37,185	007912	\$139	\$192	\$128		X	\$459
74	2015	CHEVROLET	TAHOE W/EQUIPMENT	1GNSK2ECXFR650693		\$37,185	007912	\$139	\$192	\$128		X	\$459
87	2001	OTHER	TR	1UTSH6681DS000881			007912	\$139					\$139
92	2010	FORD	CROWN VICTORIA	2FABP7BV1AX115267		\$36,236	007911	\$185	\$192	\$128			\$505
109	2013	CHEVROLET	1500 PICKUP TRUCK	3GCCKSE79DG328304		\$28,340	007912	\$139	\$192	\$128			\$459
123	2017	CHEVROLET	TAHOE	1GNLCDEC4HR154353		\$33,210	007912	\$139	\$192	\$128		X	\$459
124	2017	OTHER	CARGO CRAFT ENCLOSED TRAILER	1D6EB162XHC047067		\$3,995	684990	\$46	\$19	\$17			\$82
126	2017	CHEVROLET	SILVERADO	3GCUKREC5HG404356		\$33,520	007912	\$139	\$192	\$128		X	\$459
136	2018	CHEVROLET	TAHOE	1GNLCDEC9JR369488		\$39,580	007912	\$139	\$192	\$128		X	\$459
137	2018	CHEVROLET	TAHOE	1GNLCDEC7JR370302		\$39,580	007912	\$139	\$192	\$128		X	\$459
138	2018	CHEVROLET	TAHOE	1GNLCDEC5JR371447		\$39,580	007912	\$139	\$192	\$128		X	\$459
139	2018	CHEVROLET	TAHOE	1GNLCDEC0JR368763		\$39,980	007912	\$139	\$192	\$128		X	\$459
156	2020	CHEVROLET	TAHOE	1GNLCDEC0KR331066		\$32,454	007912	\$139	\$247	\$193			\$578
157	2020	CHEVROLET	TAHOE	1GNLCDEC0KR329477		\$32,454	007912	\$139	\$247	\$193			\$578
164	2020	CHEVROLET	TAHOE	1GNLCDEC5LR307413		\$45,024	007912	\$139	\$247	\$193		X	\$578
165	2020	CHEVROLET	TAHOE	1GNLCDEC0LR307321		\$45,024	007912	\$139	\$247	\$193		X	\$578
166	2020	CHEVROLET	TAHOE	1GNLCDECXLR307729		\$45,024	007912	\$139	\$247	\$193		X	\$578
167	2020	CHEVROLET	TAHOE	1GNLCDEC1LR307702		\$45,024	007912	\$139	\$247	\$193		X	\$578
169	2021	CHEVROLET	1500	3GCUYEED0MG211560		\$36,685	007912	\$139	\$274	\$257		X	\$669
174	2016	OTHER	EQ GOOSENECK TRAILER	5NYGU272XHNSC1392		\$6,439	684990	\$46	\$58	\$51			\$155
Department: Sheriff								Total Number of Vehicles: 35				\$15,130	
27	2004	FORD	ECONO VAN	1FDNE31P76HA71980			648200	\$185					\$185
Department: Unassigned Department								Total Number of Vehicles: 1				\$185	

Totals	Total Number of Vehicles	Contribution
Auto Liability	118	\$12,374
Auto Physical Damage, Collision	91	\$14,123
Auto Physical Damage, Comprehensive	91	\$12,977



TEXAS ASSOCIATION *of* COUNTIES
RISK MANAGEMENT POOL

***AUTO LIABILITY
COVERAGE DOCUMENT***

AUTO LIABILITY COVERAGE DOCUMENT

The Texas Association of Counties Risk Management Pool (Pool) exists to enable its members to purchase coverage against liability claims. This is not a contract of insurance, but is a Coverage Document evidencing liability coverage pursuant to the provisions of Chapters 791 and 2259 of the Texas Government Code and Chapter 119 of the Texas Local Government Code. Under this Coverage Document, political subdivisions and other members create and contribute to the Pool as an alternative to purchasing insurance from commercial insurance markets. While this Coverage Document is not commercial insurance, the Pool's Board of Directors has determined that certain first-party coverages may be offered herein for the purpose of mitigating or reducing potential liability exposures to the Named Member.

VARIOUS PROVISIONS IN THIS COVERAGE DOCUMENT RESTRICT COVERAGE. READ THE ENTIRE COVERAGE DOCUMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

The Contribution and Coverage Declarations (CCD) issued to the Named Member by the Pool is part of this Coverage Document, subject to the terms, conditions, definitions, exclusions, and sublimits contained in this Coverage Document, any endorsements, and the Interlocal Participation Agreement (IPA).

Words and phrases that are capitalized have special meaning. Refer to SECTION V- DEFINITIONS

SECTION I — LIABILITY COVERAGE

A. WHO IS COVERED

The following are Covered Persons, but only if using the Auto with the Named Member's permission and the use of the Auto is within the scope of the Named Member's permission:

1. The Named Member.
2. The Named Member's Officials, employees, or Volunteers.
3. Anyone while using an Auto the Named Member owns, hires, borrows, or temporarily uses as a substitute for an Auto the Named Member has removed from use due to its breakdown, repair, service, loss or destruction; except that the following are not Covered Persons:
 - a. Anyone using an Auto while he or she is working in a business of selling, servicing, repairing, storing or parking Autos unless that business is the Named Member's.
 - b. The owner or lessee of whom the Named Member is a sub lessee of a Hired Auto or the owner of a Non-Owned Auto or any agent or employee of any such owner or lessee.
 - c. Anyone other than the Named Member's Officials, employees, or Volunteers, while moving property to or from an Auto.
4. Anyone liable for the conduct of a Covered Person described above, but only to the extent of that liability. However, the owner or anyone else from whom the Named Member hires or borrows an

Auto is a Covered Person only if that Auto is a trailer connected to an Auto the Named Member owns.

To the extent that the Named Member's Officials, employees or Volunteers qualify as Covered Persons for a covered Accident, the coverage afforded by this Coverage Document applies to the individual liability of those persons, without regard to their, or the Named Member's, immunity from liability or Suit for that Accident.

B. COVERAGE EXTENSIONS

1. Supplementary Payments.

In addition to the Limits of Liability, the Pool will pay for the Covered Person:

- a. All expenses the Pool incurs.
- b. Up to \$250 for cost of bail bonds (including bonds for related traffic law violations) required because of an Accident the Pool covers. The Pool does not have to furnish these bonds.
- c. The cost of bonds to release attachments in any Suit the Pool defends, but only for bond amounts within the Pool's Limits of Liability.
- d. Reasonable expenses incurred by the Covered Person at the Pool's request in assisting the investigation or defense of a claim or Suit, including actual loss of earnings up to \$100 a day because of time off from work.
- e. All costs taxed against the Covered Person in any Suit the Pool defends.
- f. Pre-judgment interest awarded against the Covered Person on that part of the judgment the Pool pays. If the Pool makes an offer to pay the applicable limit of coverage, the Pool will not pay any pre-judgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment in any Suit the Pool defends; but the Pool's duty to pay interest ends when the Pool has paid, offered to pay or deposited in court the part of the judgment that is within the Pool's Limits of Liability.
- h. Expenses incurred by a Covered Person for first aid to others at the time of an Accident, for Bodily Injury to which this Coverage Document applies.

2. Hired and Non-owned

- a. Hired Auto Liability - The Pool will provide limited coverage as set forth in this Coverage Document and the CCD for Bodily Injury or Property Damage arising out of the maintenance or use of a Hired Auto by the Named Member or a Covered Person in the course of the Named Member's business.

- b. Non-owned Auto Liability - The Pool will provide limited coverage as set forth in this Coverage Document and the CCD for Bodily Injury or Property Damage arising out of the use of any Non-owned Auto by the Named Member or a Covered Person in the course of the Named Member's business.
- c. When the Auto Liability section of the CCD refers only to Hired and Non-owned Liability, the limits of liability are excess as provided by Section IV, Conditions, S.

3. Supplementary Death Benefit

- a. The Pool will pay to a Covered Person's Beneficiary a Supplementary Death Benefit in the amount of \$10,000 unless otherwise stated on the CCD because of death to the Covered Person:
 - (1) Caused by an Auto Accident; and
 - (2) Sustained by a Covered Person while wearing a Seat Belt or protected by an Airbag.
- b. The Pool will pay the benefit, if such death occurs within three years of the date of such Accident.
- c. This Supplementary Death Benefit shall not be reduced by any other amounts paid or payable under this Coverage Document or other coverage or insurance for the Accident.
- d. The Beneficiary must furnish the Pool with proof of death of the Covered Person, accompanied by a police report or other verifiable proof that the Covered Person was wearing a Seat Belt or protected by an Airbag at the time the Accident occurred.
- e. No deductible applies.

4. Out of State Coverage

- a. The Pool will provide limited coverage as set forth in this Coverage Document for Auto Accidents occurring out of state if:
 - (1) A Covered Person is using an Auto within the Coverage Territory described in Section IV, Conditions, U., but outside of the State of Texas, and
 - (2) The laws of that state, territory, or province require the Covered Person to maintain insurance with respect to the operation or use of that Auto within its borders, and
 - (3) The coverage provided by this Coverage Document differs in form, kind or amount from that required by said laws;
- b. The Pool will:
 - (1) Increase the Limits of Liability specified in the CCD for this Out of State Coverage to the greater of either:

- (a) The minimum limits specified by the law of the state, territory or province where the Auto is being used, or
 - (b) A combined single limit of liability of one million dollars (\$1,000,000.00) for all Damages because of Bodily Injury and Property Damage resulting from any one Accident, regardless of the number of Covered Persons under this Coverage Document, the number of persons or organizations who sustain Bodily Injury or Property Damage, or the number of Autos to which this Coverage Document applies.
- (2) Provide the minimum forms or kinds of coverages, such as no-fault, as may be required and set forth by the laws by that state, territory or province, but only to the extent required by such laws.
- c. The increased amount of Out of State Coverage will be in excess of any other valid and collectible insurance or coverage that may be available to the Covered Person.
 - d. The Pool will not pay anyone more than once for the same elements of Loss because of these extensions.

5. Mexico Coverage

- a. The Pool will provide limited coverage as set forth in this Coverage Document for Auto Accidents occurring in Mexico if:
 - (1) A Covered Person is using an Auto owned by the Named Member;
 - (2) The Auto is included in the schedule of vehicles attached to this Coverage Document;
 - (3) The Accident occurs within 25 miles of the United States border;
 - (4) The Auto is garaged in the United States; and
 - (5) The Auto is used for infrequent trips that do not exceed ten days for any single trip.

SECTION II — EXCLUSIONS

The coverage afforded by this Coverage Document does not apply to any of the following:

A. EXPECTED OR INTENDED INJURY

Bodily Injury or Property Damage expected or intended from the standpoint of a Covered Person.

B. CONTRACTUAL LIABILITY

Liability assumed under any contract or agreement, but this exclusion does not apply to liability for Damages that the Covered Person would have in the absence of the contract or agreement.

C. WORKERS' COMPENSATION

Any obligation for which the Covered Person or the Covered Person's insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

D. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

Bodily Injury to:

1. An employee of a Covered Person arising out of and in the course of employment by the Covered Person; or
2. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph A. above.

This exclusion applies:

1. Whether the Covered Person may be liable as an employer or in any other capacity; and
2. To any obligation to share Damages with or repay someone else who must pay Damages because of the injury.

E. EMPLOYEE CAUSES INJURY TO FELLOW EMPLOYEE

Bodily Injury to an employee of a Named Member caused by a fellow employee of the Named Member and arising out of and in the course of the fellow employee's employment.

F. CARE, CUSTODY OR CONTROL

Property Damage to property owned or transported by a Covered Person or in a Covered Person's care, custody or control.

G. PRIVACY OR SECURITY EVENT LIABILITY AND EXPENSE COVERAGE

1. This Coverage Document does not provide coverage for any liability, Loss, penalty or expense arising directly or indirectly from any Privacy or Security Event.
2. For purposes of this exclusion the following terms have the following meanings:

Computer System means computers and associated input and output devices, data storage devices, networking equipment and backup facilities:

- a. Operated by and either owned by or leased to any Named Member or Covered Person; or
- b. Operated by a third party service provider and used to provide hosted computer application services to the Named Member or Covered Person or for processing, maintaining, hosting or

storing the Covered Person's electronic data pursuant to a written contract with the Named Member or Covered Person for such services.

Personal Information means an individual's name in combination with one or more of the following:

- a. Information concerning the individual that constitutes nonpublic personal information as defined in the Gramm-Leach Bliley Act of 1999, as amended, and implementing regulations;
- b. Medical or health care information concerning the individual, including without limitation "protected health information" as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and implementing regulations;
- c. The individual's Social Security number, driver's license or state identification number, credit, debit, or other financial account numbers and associated security codes, access codes, passwords or personal identification numbers that allow access to the individual's financial account information; or
- d. Other nonpublic personally identifiable information, as protected under any local, state, federal or foreign law;

Provided, however, Personal Information does not include information that is lawfully available to the public, including without limitation information lawfully available from any Named Member or Covered Person or any local, state, federal or foreign governmental entity.

Privacy or Security Event means:

- a. The actual or reasonably suspected theft, Loss or unauthorized disclosure of or access to Personal Information in the care, custody or control of the Named Member or Covered Person or for which the Named Member or Covered Person is legally responsible, regardless of whether such Personal Information is maintained in electronic, paper or any other format; or
- b. A violation or failure of the security of a Computer System, including but not limited to unauthorized access, unauthorized use, a denial of service attack or receipt or transmission of malicious code.

H. EMERGENCY MEDICAL SERVICE

With respect to Damages resulting from the ownership, maintenance or use of emergency medical service vehicles because of:

1. Bodily Injury resulting from the providing of or failure to provide medical services or other professional services;
2. Bodily Injury resulting from the furnishing of or failure to furnish food or drink in connection with such services; or
3. Bodily Injury or Property Damage resulting from the handling of corpses.

I. HANDLING OF PROPERTY

Bodily Injury or Property Damage resulting from the handling of the property:

1. Before it is moved from the place where it is accepted by a Covered Person for movement into or onto an Auto; or
2. After it is moved from an Auto to the place where it is finally delivered by a Covered Person.

J. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

Bodily Injury or Property Damage resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to an Auto.

K. OPERATIONS

Bodily Injury or Property Damage arising out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of Mobile Equipment.

L. POLLUTION

Bodily Injury or Property Damage arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere, any watercourse or body of water; but this exclusion does not apply if such discharge, dispersal, release, or escape is sudden and accidental. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, fuels, lubricants, chemicals, pesticides and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. NUCLEAR ENERGY

1. Nuclear reaction or radiation, or radioactive contamination, regardless of cause; or
2. The explosion of any weapon employing atomic fission or fusion.

N. WAR

Bodily Injury or Property Damage due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

O. STATE RESPONSIBILITY

To any claim, liability, Loss or Accident, for which the State of Texas:

1. Has the responsibility to pay or indemnify; or
2. Asserts a right to defend; or

3. Asserts a right to adjust, handle or settle.

SECTION III — LIMITS OF LIABILITY

A. WHAT THE POOL WILL PAY

Regardless of the number of Autos, Covered Persons, or vehicles involved in the Accident the Limits of Liability payable under this Coverage Document are as follows:

1. The Pool will pay all sums, up to the Pool's Limits of Liability as set forth in the CCD, a Covered Person legally must pay as Damages because of Bodily Injury or Property Damage to which this coverage applies, caused by an Accident and resulting from the ownership, maintenance or use of an Auto.
2. The maximum limits per person and per Accident as stated in the CCD is the maximum amount the Pool will pay for all claims arising out of an Accident.
3. The Pool has the right and duty to defend any Suit asking for such Damages. However, the Pool has no duty to defend Suits for Bodily Injury or Property Damage not covered by this Coverage Document. The Pool may investigate and settle any claim or Suit as the Pool considers appropriate. The Pool's duty to defend or settle ends when the applicable Limits of Liability has been exhausted by payment of judgments or settlements. The Pool's right to defend includes the right to select counsel to defend covered claims or Suits.

B. DEDUCTIBLE

The Named Member is wholly responsible for paying the entire Deductible shown in the CCD. A Covered Person, other than the Named Member, has no individual responsibility for paying any portion of the Deductible, and is fully covered for the amount of any liability not in excess of the Texas Tort Claims Limits, as referenced in Texas Civil Practices and Remedies Code Section 108.002.

At the option and discretion of the Pool, the Pool may pay all or part of the Deductible amount to effect settlement, and, upon notification to the Named Member, Named Member shall promptly reimburse the Pool for all expenditures. If the Pool pays any Claims Expenses which fall within the Deductible amount stated in the CCD or within this Coverage Document, the Named Member, upon notification, shall promptly reimburse the Pool for all expenditures.

All Bodily Injury and Property Damage resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one Accident.

SECTION IV — CONDITIONS

Unless otherwise indicated, this Auto Liability Coverage Document and all other forms and endorsements forming a part of this Coverage Document, are subject to the following Conditions:

A. APPLICATION AND AGREEMENTS

By acceptance of this Coverage Document, the Named Member agrees that the statements in the Application and Agreements are the Named Member's agreements and representations, that this Coverage Document is issued in reliance upon the truth of such representations and that this Coverage Document, the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the Pool's duly adopted underwriting standards and criteria embody all agreements existing between the Named Member and the Pool or any of the Pool's agents relating to this Coverage Document.

B. UNINTENTIONAL FAILURE TO DISCLOSE

It is agreed that the Named Member's failure to disclose all hazards existing as of the inception date of this Coverage Document shall not prejudice a Covered Person with respect to the coverage afforded by this Coverage Document, if such failure or omission was not intentional.

C. COMPLIANCE WITH CONDITIONS

If any Covered Person breaches any condition or warranty of this Coverage Document, there shall be no coverage, including any obligation to defend, for any Covered Person as to the particular Accident or action in connection with the breach.

D. DELIVERY OF THIS COVERAGE DOCUMENT

Delivery of this Coverage Document to the Named Member shall be considered delivery to each Covered Person, and the Named Member is authorized by each Covered Person to accept delivery on the Covered Person's behalf.

E. CANCELLATION OR NON-RENEWAL

1. Either party to this Coverage Document may cancel or non-renew this Coverage Document by giving notice of such intent to the other party. The notice must be in writing and must be delivered by certified mail, return receipt requested via U.S. Mail to the other party. Except for notice of cancellation or non-renewal by the Pool for nonpayment of contributions, such notice must be given not less than sixty (60) days prior to the effective date of cancellation.
2. The Pool may, in the Pool's sole discretion, permit the Named Member, upon the Named Member's written request, to terminate this Coverage Document by giving the Pool not less than thirty (30) days' notice.
3. Notice of cancellation by the Named Member must be addressed to:

Texas Association of Counties Risk Management Pool
Attn: Member Services
P.O. Box 2131
Austin, Texas 78768

4. The Pool may cancel or non-renew this Coverage Document:

- a. For nonpayment of contributions, unless other provision for payment has been made by express written agreement between the Named Member and the Pool;
 - b. If there is an increase in risk or hazard within the Named Member's control which would result in an increase in the rate or amount of contribution;
 - c. For fraud in the obtaining of coverage;
 - d. If the Pool is placed in supervision, conservatorship, receivership and the cancellation is approved or directed by the supervisor, conservator or receiver;
 - e. If the Named Member does not implement risk management techniques required by the Pool during the initial coverage period, or if risk management techniques do not result in the Named Member's attaining a risk level sufficient to meet the Pool's underwriting criteria during the initial coverage period;
 - f. If the Interlocal Participation Agreement between the parties is terminated or the Named Member withdraws or is expelled from the Pool; or
 - g. For the Named Member's violation of any of the Named Member's other obligations under the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.
5. If the Pool cancels this Coverage Document for nonpayment of contributions, such cancellation shall be effective at 12:01 a.m. on the 10th day following the Pool's placement of the notice of cancellation in the U.S. Mail. These Conditions do not waive or alter any other applicable provisions of the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.
 6. Notice of cancellation by the Pool may be given to the county judge or presiding officer of the Named Member.

F. RETAINED CONTRIBUTION PROPORTIONS

1. If this Coverage Document is terminated by the Named Member, the Pool shall retain the customary short rate proportion of the contribution.
2. If this Coverage Document is terminated by or on behalf of the Pool, the Pool shall retain the customary pro-rata proportion of the contribution.

G. CHANGES

This Coverage Document, the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the Pool's duly-adopted underwriting standards and criteria constitute the agreements between the Named Member and the Pool concerning the coverage afforded. The Named Member is authorized to make changes in the terms of this Coverage Document only with consent of the Pool's duly-authorized representative. The Pool may make changes to this Coverage Document, as

permitted by the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and/or the laws governing the creation and operation of the Pool. This Coverage Document's terms cannot be amended or waived orally. Any changes to the Pool's Bylaws, the Interlocal Participation Agreement between the Pool and the Named Member, or the Pool's underwriting standards or criteria are incorporated herein.

H. EXAMINATION OF THE NAMED MEMBER'S BOOKS AND RECORDS

The Pool may examine and audit the Named Member's books and records as they relate to this Coverage Document or as may be required for the administration of the Pool.

I. INSPECTIONS AND LOSS CONTROL

The Pool has the right but is not obligated to:

1. Make inspections and surveys at any time;
2. Make risk management appraisals of the Named Member's operations, policies, procedures, Autos, personnel and/or facilities;
3. Require the Named Member to implement and follow risk management procedures or techniques established by the Pool to reduce risk sufficient to meet the Pool's underwriting criteria. Any inspections, surveys, reports or requirements relate only to the Named Member's eligibility for liability coverage and the contribution to be charged. The Pool does not make safety inspections. The Pool does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, nor does the Pool warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

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

J. CONTRIBUTIONS

1. All contributions charged for this Coverage Document shall be computed in accordance with the Pool's rates and rating plans, as approved by the Pool's Board of Directors. The Named Member agrees to maintain records of all information that the Pool requires for computation of contributions, and to send copies of such records to the Pool at such times as the Pool reasonably requires.
2. The Named Member shall pay promptly all contributions or other payments to the Pool at such times and in such manner as shall be established by the Pool's Bylaws. Any delinquent payments shall be paid with interest as prescribed by the Pool's Bylaws.
3. The Named Member will be the payee for any return contributions or other payments the Pool pays.

4. If during the coverage period, there is a material change in the number or value of Autos owned or leased by the Named Member, the Named Member shall notify the Pool as soon as possible during the coverage period, and the Pool may, at its discretion, adjust the contribution for this Coverage Document, in accordance with the Pool's rates and rating plans, as approved by the Pool's Board of Directors. If the earned contribution thus computed exceeds the advance contribution paid, the Named Member shall pay the excess to the Pool; if less, the Pool shall refund or credit to the Named Member the unearned portion paid.

K. TRANSFER OF THE NAMED MEMBER'S RIGHTS AND DUTIES UNDER THIS COVERAGE DOCUMENT

1. The Named Member's rights and duties under this Coverage Document may not be transferred without the Pool's written consent, except in the case of death of an individual Covered Person.
2. If a Covered Person dies, his rights and duties will be transferred to his legal representative but only while acting within the scope of duties as his legal representative. Until that legal representative is appointed, anyone having proper temporary custody of the Covered Person's property will have his rights and duties but only with respect to that property.

L. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

1. In the event of Accident, claim, Suit, or Loss, the Named Member and any Covered Person involved must give the Pool or the Pool's authorized representative prompt notice of the Accident or Loss. Include:
 - a. How, when and where the Accident or Loss occurred;
 - b. The name and address of all Covered Persons involved; and
 - c. To the extent possible, the names and addresses of any injured persons and witnesses.

If the Pool shows that failure to provide notice prejudices the Pool's defense, there is no liability coverage for any Covered Person under this Coverage Document.

2. Additionally, the Named Member and any other Covered Person involved must:
 - a. Assume no obligation, make no payment or incur no expense without the Pool's consent, except at the Covered Person's own cost.
 - b. Immediately send the Pool copies of any demand, notice, summons or legal paper received concerning the claim or Suit.
 - c. Cooperate with the Pool in the investigation, settlement or defense of the claim or Suit.
3. No Covered Person will, without the Pool's written consent:
 - a. Assume or admit any liability; or

b. Waive, abridge, prejudice or fail to assert any right of sovereign or official immunity, limitation of liability, or other defense to liability for amounts otherwise payable under this Coverage Document.

4. In connection with any investigation the Pool may make regarding the applicability of this coverage for any claim or Suit under this Coverage Document, or the nature or extent of a claim or Suit payable under this Coverage Document, the Covered Person agrees to provide any relevant documents or records, submit to examination under oath at the Pool's request and give the Pool a signed statement of his or her answers, as often as the Pool may reasonably require.

M. LEGAL ACTION AGAINST THE POOL

No one may bring a legal action against the Pool under this Coverage Document until:

1. There has been full compliance with all the terms of this Coverage Document; and
2. The amount of the Covered Person's liability has been determined by a fully adversarial trial, or by a written agreement between the Covered Person, the claimant, and the Pool.

No one has the right under this Coverage Document to bring the Pool into an action to determine a Covered Person's liability.

N. TRANSFER OF RIGHTS OF RECOVERY AGAINST ANOTHER TO THE POOL

If any person or organization to or for whom the Pool makes payments under this Coverage Document has rights to recover Damages from another, those rights are transferred and assigned to the Pool. That person or organization must do everything necessary to secure the Pool's rights and must do nothing after an Accident or Loss to impair them.

O. SUBROGATION

If the Pool makes any payment under this Coverage Document, the Pool shall be subrogated to all of the Named Member's rights and indemnity or recovery, against any individual, firm, corporation, organization, or any other person. The Named Member shall execute and deliver instruments and papers and do whatever else that is reasonably requested to advance the Pool's pursuit of its subrogation rights. Named Member will do nothing after any claim is made to prejudice the Pool's subrogation rights. The Pool shall be entitled to take over and conduct, in the name of the Member, for the Pool's own benefit, any claim or Suit to which the Pool is subrogated against any third party. The Pool may pursue or settle any claim or Suit for its own benefit at its sole discretion.

P. BANKRUPTCY

Bankruptcy or insolvency of a Covered Person or the Covered Person's estate will not relieve the Pool of any obligations under this Coverage Document.

Q. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Document is void in any case of fraud by a Covered Person relating to it. It is also void if the Named Member intentionally conceals or misrepresents a material fact concerning:

1. This coverage;
2. Any Auto;
3. The Named Member's interest in an Auto; or
4. A claim under this Coverage Document.

R. LIBERALIZATION

If the Pool changes this Coverage Document to provide more coverage without additional contribution charge, the additional coverage will be effective as of the day indicated in the Pool's written notice of change to the Named Member.

S. OTHER COVERAGE OR INSURANCE

1. For any Auto the Named Member owns, this Coverage Document provides primary liability coverage. For any Hired Auto or Non-owned Auto used by the Named Member, the coverage provided by this Coverage Document is excess over any other collectible insurance. However, while an Auto which is a trailer is connected to another vehicle, the liability coverage this Coverage Document provides for the trailer is:
 - a. Excess while it is connected to a motor vehicle the Named Member does not own.
 - b. Primary while it is connected to an Auto the Named Member owns.
2. When this Coverage Document and any other coverage document or policy provide coverage on the same basis, either excess or primary the Pool will pay only the Pool's share which is the proportion that the Limits of Liability of this Coverage Document bears to the total of the limits of all the coverage forms and policies.

T. JURISDICTION AND VENUE

The validity and interpretation of this Coverage Document will be governed by the laws of the State of Texas. This Coverage Document is performable and enforceable in Travis County, Texas. The state courts in Travis County will be the sole and exclusive venue for any litigation, special proceeding, or other proceeding arising from the performance of this Coverage Document.

U. COVERAGE PERIOD, COVERAGE TERRITORY

Under this Coverage Document, the Pool covers Accidents and losses occurring:

1. During the Coverage Period shown in the CCD; and

2. Within the coverage territory.

The coverage territory is:

1. The United States of America;
2. The territories and possessions of the United States of America;
3. Puerto Rico;
4. Canada; and
5. Mexico, within 25 miles of the United States border subject to the Limits of Liability set forth in the CCD and Section III of this Coverage Document.

V. TWO OR MORE COVERAGE DOCUMENTS ISSUED BY THE POOL

If this Coverage Document and any other coverage document issued to the Named Member by the Pool apply to the same Accident, the aggregate maximum limits of liability under all such coverage documents shall not exceed the highest applicable limits of liability under any one coverage document. This condition does not apply to any coverage document issued by the Pool specifically to apply as excess insurance over this Coverage Document.

W. NO BENEFIT TO BAILEE PHYSICAL DAMAGE COVERAGE

The Pool will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provisions of this Coverage Document.

X. DEFENSE, SETTLEMENT AND ALLOCATION OF DAMAGES

1. Subject to all of the provisions contained in this Coverage Document, the Pool has the right and duty to defend any claim or Suit against the Named Member seeking Damages, even if a claim or Suit is groundless, false or fraudulent. The Pool shall have the right to incur Claims Expenses and to make an investigation and settlement of any claim or Suit as may be deemed expedient by the Pool and the Pool may settle any claim or Suit at its sole discretion and without the consent of the Named Member. The determination by the Pool as to any settlement and as to the reasonableness of settlements and Claims Expenses shall be conclusive on the Named Member. The Pool shall have the right, but not the obligation, to appeal any judgment adverse to the Named Member. Claims Expenses shall not be deducted from the Limits of Liability.
2. The Pool shall have no obligation to pay sums the Named Member shall become legally liable to pay as claims or Damages that are not covered by this Coverage Document (including amounts in excess of any applicable sublimits) or to contribute to a settlement of any such claims or Damages. In negotiating any settlement or claim or Suit payment, the Pool shall have the right to request the Named Member make an appropriate contribution for uncovered claims or Damages. If both Damages covered by this Coverage Document and Damages not covered by this Coverage Document are incurred or are to be

incurred because a claim or Suit made against the Named Member or Damages sought from the Named Member includes both covered and uncovered matters, the Pool and the Named Member will use their best efforts to determine a fair and appropriate allocation of Damages between that portion of Damages that is covered under this Coverage Document and that portion of Damages that is not covered under this Coverage Document. The Pool and the Named Member will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense or settlement of, the claim or Suit. In the event the Pool and the Named Member cannot reach an agreement as to an allocation of Damages, then the parties will each contribute the amount proposed by the Pool until a final amount is agreed upon or determined pursuant to the provisions of this Coverage Document and applicable law.

3. If, in the sole discretion of the Pool, employing the services of attorneys, investigators, or other persons to perform work and incur expenses on behalf of any Named Member, or the Pool, is deemed appropriate to protect Pool interests prior to the formal existence of a claim or Suit, the Pool has the right, but not the duty, to employ persons as a Pool operational expense.
4. The Pool shall have the right, but not the duty, to monitor and participate in the defense of any investigatory, administrative or disciplinary proceeding relating to any wrongful act of a Covered Person. Should the Pool elect to defend, monitor or participate under this provision, the election shall not constitute a waiver of any rights the Pool may have pursuant to any of the provisions of this Coverage Document.
5. If the Pool determines that the Limits of Liability under this Coverage Document may be insufficient to pay or settle any covered claims or Suits, or if there are multiple or competing claims or Suits against one or more Covered Persons, the Pool may, in its sole discretion, tender the remaining Limits of Liability available under this Coverage Document, either to the treasury of the Named Member, a person authorized to receive funds for the Named Member, or the registry of a court of competent jurisdiction and exhaust the Limits of Liability under this Coverage Document. Tender by the Pool of an amount that would exhaust the Limits of Liability shall terminate: (1) the Pool's liability to pay any amounts for unincurred Claims Expenses with regard to any claims or Suits; (2) the Pool's duties to defend any Covered Person from any claims or Suits; and (3) the Pool's liability to pay any amount for Damages with regard to any claim or Suits.

SECTION V — DEFINITIONS

The following definitions shall apply wherever used in this Coverage Document.

- A. **Accident** means any event or series of events resulting in direct and accidental loss or damage including continuous or repeated exposure to the same conditions resulting in Bodily Injury or Property Damage.
- B. **Airbag** means a functioning Airbag designed to protect the occupant of a seat in an Automobile.
- C. **Auto** means a land motor vehicle, trailer or semitrailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include Mobile Equipment.
- D. **Beneficiary** means (in order of priority of payment):

1. The surviving spouse if a resident in the same household as the deceased Covered Person at the time of the Accident, or
 2. If the deceased Covered Person is an unmarried minor, either of the surviving parents who had legal custody at the time of the Accident, or
 3. The estate of the deceased Covered Person.
- E. **Bodily Injury** means Bodily Injury, sickness or disease sustained by a person including death resulting from any of these.
- F. **Claims Expenses** means:
1. Fees incurred by the Pool for an attorney designated by the Pool;
 2. All other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a claim or Suit, if incurred by the Pool, except for those fees, costs, and expenses of the Texas Association of Counties, or expenses of a claims adjustment contractor for the Pool;
 3. Fees charged by any attorney designated by the Named Member with the written consent of the Pool, but only as to those fees incurred after receipt by Named Member of written consent from the Pool.
- G. **Covered Person** means any person or organization qualifying as a Covered Person in Section I, A. Who Is Covered provision of this Coverage Document. Except with respect to the Limits of Liability, the coverage afforded applies separately to each Covered Person who is seeking coverage or against whom a claim or Suit is brought.
- H. **Contributions and Coverage Declarations (CCD)** means the document that sets forth the specific indication of coverage, limits, and deductibles, Contributions and special provisions elected by each Named Member, including any modifications made by issuance of any amendatory CCD or endorsement.
- I. **Coverage Document** means this agreement between the Pool and Named Member, including any endorsements
- J. **Damages** means any amount, within the limits of liability, a Covered Person is legally obligated to pay. This includes settlements, judgements, related court costs, and interest on any judgement unless otherwise excluded in this Coverage Document.
- K. **Hired Auto** means any Auto not owned by Named Member or a Covered Person which is rented under contract to the Named Member or Covered Person for 14 days or less and used to conduct Named Member's business. This does not include any Auto Named Member or a Covered Person leases, hires or borrows from any of Named Member's employees or members of the employees' households.
- L. **Loss** means direct and accidental loss or damage.
- M. **Mobile Equipment** means a vehicle that is not designated or used primarily to transport persons or property and that is only incidentally operated on a highway. The term includes the following:

1. Bulldozers, farm machinery, ditch digging apparatus, well boring apparatus, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises other than roads or streets, the Named Member owns or hires. However, any land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto) owned or hired by the Named Member is deemed an Auto and not Mobile Equipment if the only reason for considering it Mobile Equipment is that it is maintained for use exclusively on streets or highways owned by the Named Member.
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in paragraphs 1, 2, 3, or 4 above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in paragraphs 1, 2, 3, or 4 above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not mobile equipment but will be considered Autos:
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on Automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

N. **Named Member** means a county or other political subdivision so designated in the CCD.

- O. **Non-owned Auto** means any Auto Named Member borrows which is used in connection with Named Member's business. A borrowed Auto means an Auto owned by a Covered Person and used to conduct Named Member's business with Named Member's permission.
- P. **Official** means any duly-elected or appointed Official of the Named Member, but only while that person holds the office for which he or she was elected or appointed.
- Q. **Property Damage** means physical damage to or loss of use of tangible property.
- R. **Seat Belt** means manual or automatic safety belts or seat and shoulder restraints.
- S. **Suit** means a civil judicial proceeding in which Damages are alleged due to personal injury or Property Damage. Suit includes arbitration proceedings and any other dispute resolution proceedings in which personal injury or Property Damage is alleged and in which the Covered Person participates with the Pool's consent.
- T. **Volunteer** means a person who is neither an Official nor an employee of the Named Member, who is performing some act or service on behalf of the Named Member, at the Named Member's request. Volunteer does not include independent contractors.



TEXAS ASSOCIATION *of* COUNTIES
RISK MANAGEMENT POOL

***AUTO PHYSICAL DAMAGE
COVERAGE DOCUMENT***

AUTOMOBILE PHYSICAL DAMAGE COVERAGE

Words and phrases that appear capitalized have special meaning. Refer to SECTION IV-DEFINITIONS

SECTION I - COVERED AUTOS

A. DESCRIPTION OF COVERED AUTOS

Upon renewal, the Autos described in the schedule of vehicles for which a Contribution charge is shown are covered by this Coverage Document.

B. AUTOS ACQUIRED AFTER THE COVERAGE DOCUMENT BEGINS

An Auto acquired after the coverage period begins will be a covered Auto for the coverage(s) shown on the CCD, only if:

1. The Pool already covers all Autos owned by the Named Member for that coverage or if it replaces an Auto previously owned that had that coverage; or
2. The Named Member notifies the Pool in writing within 30 days after the Named Member acquires the Auto of its desire to cover it for that coverage.

SECTION II - PHYSICAL DAMAGE COVERAGE

A. COVERAGE

1. The Pool will pay for Loss to a covered Auto or its equipment under:
 - a. Comprehensive Coverage. From any cause except:
 - (1) The covered Auto's collision with another object; or
 - (2) The covered Auto's overturn.
 - b. Collision Coverage. Caused by:
 - (1) The covered Auto's collision with another object; or
 - (2) The covered Auto's overturn.
2. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles

The Pool will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. Loss caused by hitting a bird or animal; and
- c. Loss caused by falling objects or missiles.

However, the Named Member has the option of having glass breakage caused by a collision to be reimbursed under the Auto's Collision Coverage.

3. Coverage Extension. The Pool will also pay up to \$20 per day to a maximum of \$600 for transportation expense incurred by the Named Member because of the total theft of a covered Auto of the private passenger type. The Pool will pay only for those covered Autos for which the Named Member carries Comprehensive Coverage. The Pool will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending when the covered Auto is returned to use or the Pool has paid for its Loss.
4. Rental Reimbursement. The Pool will reimburse Named Member in the event of Loss to a covered Auto for expenses incurred for the rental, not including any mileage or gasoline charges, of a substitute Auto of like kind and quality to the covered Auto where the covered Auto is unusable due to a covered Loss. We will pay only for those expenses incurred during the coverage period beginning 24 hours after the Loss and ending, regardless of the coverage period's expirations, with the lesser of the following number of days:
 - a. The number of days reasonably required to repair or replace the covered Auto; or
 - b. 30 days.

Our payment is limited to the lesser of the following amounts:

- a. Necessary and actual expenses incurred; or
- b. \$2,500.00

This coverage does not apply while there are spare or reserve Autos of like kind and quality to the covered Auto available to Named Member for its operations.

5. Unattached Equipment. For Losses to Unattached Equipment, the Pool will pay the lesser of \$10,000 or the Actual Cash Value of the Unattached Equipment as of the time of the Loss if the Unattached Equipment was:
 - a. Used in the usual Course and Scope of the Named Member's business at the time of Loss; and
 - b. Unusable due to a covered Loss to a covered Auto.

B. EXCLUSIONS

1. The Pool will not pay for Loss caused by or resulting from any of the following. Such Loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the Loss.
 - a. Nuclear Hazard
 - (1) The explosion of any weapon employing atomic fission or fusion; or
 - (2) Nuclear reaction or radiation, or radioactive contamination, however caused.
 - b. War or Military Action
 - (1) War or Military Action
 - (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.
2. Other Exclusions
 - a. The Pool will not pay for Loss to equipment or custom furnishings permanently installed in or to a covered Auto unless the equipment or custom furnishing was:
 - (1) Used in the usual Course and Scope of Named Member's business; and
 - (2) The value of the equipment or custom furnishing was reported to the Pool prior to the Loss and included in the Contribution of this coverage.
 - b. The Pool will not pay for Loss caused by or resulting from wear and tear, freezing, mechanical or electrical breakdown.
 - c. The Pool will not pay for blowouts, punctures or other road damage to tires.

C. LIMITS OF LIABILITY

The Pool's maximum Limits of Liability from any one Accident will not exceed the lesser of the Actual Cash Value of the covered Auto at the time of Loss or the cost of repairing or replacing the covered Auto with one of like kind and quality.

D. DEDUCTIBLE

For each covered Auto, the Pool's obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the CCD, except, the applicable deductible will be waived if Named Member elects to repair rather than replace damaged glass.

SECTION III - CONDITIONS

A. LOSS CONDITIONS

1. APPRAISAL FOR PHYSICAL DAMAGE LOSS

If the Named Member and the Pool disagree on the amount of Loss, either may demand an appraisal of the Loss. In this event each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the Actual Cash Value and amount of Loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If the Pool submits to an appraisal, the Pool will still retain its right to deny this claim.

2. DUTIES IN THE EVENT OF ACCIDENT OR LOSS

- a. In the event of Accident or Loss, the Named Member must give the Pool or the Pool's authorized representative prompt notice of the Accident or Loss. Include:
 - (1) How, when and where the Accident or Loss occurred;
 - (2) The Named Member's name and address; and
 - (3) To the extent possible, the names and addresses of any witnesses.
- b. Additionally, the Named Member must:
 - (1) Assume no obligation, make no payments or incur no expense without the Pool's consent, except at the Named Member's own cost.
 - (2) Cooperate with the Pool in the investigation or settlement of the claim.
- c. If there is Loss to a covered Auto or its equipment, the Named Member must also do the following:

- (1) Promptly notify the police if the covered Auto or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered Auto from further damage. Also keep a record of expenses for consideration in the settlement of the claim.
- (3) Permit the Pool to inspect the covered Auto and records proving the Loss before its repair or disposition.
- (4) Agree to examination under oath at the Pool's request and give the Pool a signed statement of the Named Member's answers.

3. LEGAL ACTION AGAINST THE POOL

No one may bring a legal action against the Pool under this Coverage Document until there has been full compliance with all the terms of this Coverage Document.

4. LOSS PAYMENT — PHYSICAL DAMAGE COVERAGES

At the Pool's option, the Pool may:

- a. Pay for, repair or replace damaged or stolen property.
- b. Return the stolen property at the Pool's expense. The Pool will pay for any damage that results to the Auto from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO THE POOL

If any person or organization to or for whom the Pool makes payment under this Coverage Document has rights to recover damages from another, those rights are transferred and assigned to the Pool. That person or organization must do everything necessary to secure the Pool's rights and must do nothing after Accident or Loss to impair them.

6. SUBROGATION

If the Pool makes any payment under this Coverage Document, the Pool shall be subrogated to all of the Named Member's rights and indemnity or recovery, against any individual, firm, corporation, organization, or any other person. The Named Member shall execute and deliver instruments and papers and do whatever else that is reasonably requested to advance the Pool's pursuit of its subrogation rights. Named Member will do nothing after any claim is made to prejudice the Pool's subrogation rights. The Pool shall be entitled to take over and conduct, in the name of the Named

Member, for the Pool's own benefit, any claim to which the Pool is subrogated against any third party. The Pool may pursue or settle any claim for its own benefit at its sole discretion.

B. GENERAL CONDITIONS

1. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Document is void in any case of fraud by the Named Member relating to it. It is also void if the Named Member intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Document;
- b. The covered Auto; or
- c. The Named Member's interest in the covered Auto.

2. LIBERALIZATION

If the Pool revises this Coverage Document to provide more coverage without additional Contribution charge, the Named Member's Coverage Document will automatically provide the additional coverage as of the day the revision is effective.

3. NO BENEFIT TO BAILEE — PHYSICAL DAMAGE COVERAGES

The Pool will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provisions of this Coverage Document.

4. OTHER INSURANCE

When this Coverage Document and any other Coverage Document or policy covers on the same basis, either excess or primary, the Pool will pay only the Pool's share. The Pool's share is the proportion that the Limit of Insurance of the Pool's Coverage Document bears to the total of the limits of all the Coverage Documents and policies covering on the same basis.

5. COVERAGE PERIOD, COVERAGE TERRITORY

Under this Coverage Document, the Pool covers Accidents and Losses occurring:

- a. During the coverage period shown in the CCD; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Mexico — not to exceed 25 miles from the U.S. border.

The Pool also covers Loss to, or Accidents involving, a covered Auto while being transported between any of these places.

6. REPORTING PROVISION

The Named Member agrees to furnish the Pool with an updated vehicle schedule. The schedule shall include a current listing of Autos which are to be covered under the Coverage Document. The vehicle schedule shall be the basis for coverage for the upcoming coverage period and shall become a part of the Coverage Document. Additionally, the Contribution for the upcoming coverage period shall be calculated using the updated vehicle schedule and rates in effect at the beginning of the coverage period.

7. CANCELLATION

The Named Member may cancel this Agreement by notice to the Pool; upon surrender of the Coverage Document the Pool shall refund short rate unearned paid Contributions. The Pool may cancel this Agreement by giving the Named Member sixty days written notice; such notice shall state the pro rata unearned paid Contribution, and if not tendered, will be refunded on demand.

SECTION IV — DEFINITIONS

- A. **Accident** includes continuous or repeated exposure to the same conditions resulting in a Loss or damage.
- B. **Actual Cash Value** means the amount it would cost to repair or replace the Named Member's property, on the date of Loss, with material of like kind and quality, with proper deduction for obsolescence and physical depreciation. Actual Cash Value is computed by subtracting the depreciation of the lost or damaged covered Auto from the actual replacement cost, using material of like kind and quality, of the covered Auto at the time of Loss.
- C. **Agreement** means the Interlocal Participation Agreement executed between the Pool and the Named Member, designating those coverages and deductibles elected by the Named Member, and incorporating the various Coverage Documents, the CCD, and any amendments to said Interlocal Participation Agreement.

- D. **Auto** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads but does not include Mobile Equipment.
- E. **Contribution** means the amount paid by the Named Member to the Pool for this coverage.
- F. **Contributions and Coverage Declarations (CCD)** means the document that specifies the Named Member's coverage, limits of liability, deductibles and Contributions and certain other conditions.
- G. **Course and Scope** means activity related to the furtherance of the affairs or business of the Named Member.
- H. **Coverage Document** means this Texas Association of Counties Risk Management Pool Auto Physical Damage Coverage Document that sets forth in detail the exact coverage provided under the Agreement and which may be incorporated therein by reference, as amended from time to time.
- I. **Loss** means direct and accidental Loss or damage.
- J. **Named Member** means the political subdivision or other Named Member shown in the CCD.
- K. **Mobile Equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designated for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises you own or rent;
 3. Vehicles that travel on crawler treads;
 4. Vehicles whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
 5. Vehicles not described in paragraph 1, 2, 3, or 4 above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.

6. Vehicles not described in paragraph 1, 2, 3, or 4 above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not Mobile Equipment but will be considered Autos:

a. Equipment designed primarily for:

(1) Snow removal;

(2) Road maintenance, but not construction or resurfacing; or

(3) Street cleaning.

L. **Pool** means the Texas Association of Counties Risk Management Pool.

M. **Unattached Equipment** means equipment that is not permanently attached to your scheduled Auto. This includes items used in the usual Course and Scope of Named Member's business such as but not limited to laptops, firearms, and medical equipment.



TEXAS ASSOCIATION *of* COUNTIES
RISK MANAGEMENT POOL

**GENERAL LIABILITY
COVERAGE DOCUMENT**

GENERAL LIABILITY COVERAGE DOCUMENT

The Texas Association of Counties Risk Management Pool (Pool) exists to enable its members to purchase coverage against liability Claims. This is not a contract of insurance, but is a Coverage Document evidencing liability coverage pursuant to the provisions of Chapters 791 and 2259 of the Texas Government Code and Chapter 119 of the Texas Local Government Code. Under this Coverage Document, political subdivisions and other members create and contribute to the Pool as an alternative to purchasing insurance from commercial insurance markets. While this Coverage Document is not commercial insurance, the Pool's Board of Directors has determined that certain first-party coverage may be offered herein for the purpose of mitigating or reducing potential liability exposures to the Named Member.

VARIOUS PROVISIONS IN THIS COVERAGE DOCUMENT RESTRICT COVERAGE. READ THE ENTIRE DOCUMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

The Contribution and Coverage Declarations (CCD) issued to the Named Member by the Pool is part of this Coverage Document, subject to the terms, conditions, definitions, exclusions, and sublimits contained in this Coverage Document, any endorsements, and the Interlocal Participation Agreement (IPA).

Words and phrases that are capitalized have special meaning. Refer to SECTION V- DEFINITIONS

SECTION I – COVERAGE

COVERAGE A: BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. COVERAGE AGREEMENT

- a. The Pool will pay those sums that the Covered Person becomes legally obligated to pay as damages because of Bodily Injury or Property Damage to which this coverage applies. The Pool will have the right and duty to defend the Covered Person against any Suit seeking those damages. However, the Pool will have no duty to defend the Covered Person against any Suit seeking damages for Bodily Injury or Property Damage to which this coverage does not apply. The Pool may, at the Pool's discretion, investigate any Occurrence and settle any Claim or Suit that may result. But:
 - (1) The amount the Pool will pay for damages is limited as described in Section III - Limits of Liability; and
 - (2) The Pool's right and duty to defend ends when the Pool has used up the applicable limit of coverage in the payment of judgments or settlements under Coverages A, B, D, E, F, and G or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage H: Supplementary Payments for Coverages A, B, D, E, F and G.

- b. This coverage applies to Bodily Injury and Property Damage only if:
 - (1) The Bodily Injury or Property Damage is caused by an Occurrence that takes place in the coverage territory; and
 - (2) The Bodily Injury or Property Damage is caused by an Occurrence that takes place during the coverage period.
- c. This coverage applies to Bodily Injury arising out of the condition or use of real property only if that real property is owned, rented to or controlled by the Named Member.
- d. Damages because of Bodily Injury include damages claimed by any person or organization for care, loss of services or death resulting at any time from the Bodily Injury.
- e. Bodily Injury or Property Damage will be deemed to have been known to have occurred at the earliest time when any Named Member or any Employee authorized by Named Member to give or receive notice of an Occurrence or Claim:
 - (1) Reports all, or any part, of the Bodily Injury or Property Damage to us or any other insurer;
 - (2) Receives a written or verbal demand or Claim for damages because of the Bodily Injury or Property Damage; or
 - (3) Becomes aware by any other means that Bodily Injury or Property Damage has occurred or has begun to occur.

2. EXCLUSIONS

This coverage does not apply to:

a. Expected or Intended Injury

Bodily Injury or Property Damage expected or intended from the standpoint of the Covered Person. This exclusion does not apply to Bodily Injury resulting from the use of reasonable force to protect persons or property.

b. Communicable Disease

Bodily Injury or Property Damage arising out of the actual or alleged transmission of a communicable disease.

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

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

c. Contractual Liability

Bodily Injury or Property Damage for which the Covered Person is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the Covered Person would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an Insured Contract, provided the Bodily Injury or Property Damage occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an Insured Contract, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than a Covered Person are deemed to be damages because of Bodily Injury or Property Damage, provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same Insured Contract; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this coverage applies are alleged.

d. Liquor Liability

Bodily Injury or Property Damage for which any Covered Person may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if the Covered Person is in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

e. Workers' Compensation and Similar Laws

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

f. Employer's Liability

Bodily Injury to:

- (1) An Employee of the Covered Person arising out of and in the course of:
 - (a) Employment by the Covered Person; or
 - (b) Performing duties related to the conduct of the Covered Person's business; or
- (2) The spouse, child, parent, brother or sister of that Employee as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the Covered Person may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the Covered Person under an Insured Contract.

g. Pollution

- (1) Bodily Injury or Property Damage arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of Pollutants:
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any Covered Person. However, this subparagraph does not apply to:
 - (i) Bodily Injury if sustained within a building and caused by smoke, fumes, vapor or soot produced or originating from equipment used to heat, cool, or dehumidify that building.
 - (ii) Bodily Injury or Property Damage for which the Named Member may be held liable, if it is a contractor and the owner or lessee of such premises,

site or location has been added to this Document as an additional Covered Person with respect to the Named Member's ongoing operations performed for that additional Covered Person at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any Covered Person, other than that additional Covered Person; or

- (iii) Bodily Injury or Property Damage arising out of heat, smoke or fumes from a Hostile Fire;
- (b) At or from any premises, site or location which is or was at any time used by or for any Covered Person or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any Covered Person or any person or organization for whom the Named Member may be legally responsible; or
- (d) At or from any premises, site or location on which any Covered Person or any contractors or subcontractors working directly or indirectly on any Covered Person's behalf are performing operations if the Pollutants are brought on or to the premises, site or location in connection with such operations by such Covered Person, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) Bodily Injury or Property Damage arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of Mobile Equipment or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the Bodily Injury or Property Damage arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such Covered Person, contractor or subcontractor;
 - (ii) Bodily Injury or Property Damage sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by the Named Member or on the Named Member's behalf by a contractor or subcontractor; or

- (iii) Bodily Injury or Property Damage arising out of heat, smoke or fumes from a Hostile Fire.
 - (e) At or from any premises, site or location on which any Covered Person or any contractors or subcontractors working directly or indirectly on any Covered Person's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, Pollutants.
- (2) Any Loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any Covered Person or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, Pollutants; or
 - (b) Claim or Suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, Pollutants.

However, this paragraph does not apply to liability for damages because of Property Damage that the Covered Person would have in the absence of such request, demand, order or statutory or regulatory requirement, or such Claim or Suit by or on behalf of a governmental authority.

h. Aircraft, Autos or Watercraft

Bodily Injury or Property Damage arising out of the ownership, maintenance, use or entrustment to others of any Aircraft, Auto or watercraft owned, operated by, rented, loaned to, or borrowed by a Covered Person. Use includes operation and Loading or Unloading.

This exclusion applies even if the Claims against a Covered Person allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by a Covered Person if the Occurrence which caused the Bodily Injury or Property Damage involved the ownership, maintenance, use or entrustment to others of any Aircraft, Auto or watercraft that is owned or operated or rented or loaned to a Covered Person.

This exclusion applies to Bodily Injury or Property Damage arising out of the operation and maintenance of a Named Member owned airport and/or Airport Facilities by a private third party.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises the Named Member owns or rents;

- (2) Any watercraft the Named Member owns or rents, that is less than 26 feet long and is not being used to carry persons or property for a charge;
- (3) Any watercraft less than 26 feet long, which the Named Member does not own or rent, but only while being operated by a Covered Person in the course of his employment by or duties for the Named Member.
- (4) Parking an Auto on, or on the ways next to, premises the Named Member owns or rents, provided the Auto is not owned by or rented or loaned to any Covered Person;
- (5) Liability assumed under any Insured Contract for the ownership, maintenance or use of Aircraft or watercraft, except with respect to any aerial vehicle that is not controlled by a person from within or on the aerial vehicle; or
- (6) Bodily Injury or Property Damage arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of Mobile Equipment.

i. Mobile Equipment

Bodily Injury or Property Damage arising out of:

- (1) The transportation of Mobile Equipment by an Auto owned or operated by or rented or loaned to any Covered Person; or
- (2) The use of Mobile Equipment in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

j. Nuclear Energy

- (1) Nuclear reaction or radiation, or radioactive contamination, regardless of cause; or
- (2) The explosion of any weapon employing atomic fission or fusion.

k. War

Bodily Injury or Property Damage due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

l. Damage to Property

Property Damage to:

- (1) Property the Covered Person owns, rents, borrows, or occupies;

- (2) Premises the Covered Person sells, gives away or abandons, if the Property Damage arises out of any part of those premises;
- (3) Property loaned to the Covered Person;
- (4) Personal property in the care, custody or control of a Covered Person;
- (5) That particular part of real property on which the Named Member or any contractors or subcontractors working directly or indirectly on the Named Member's behalf are performing operations, if the Property Damage arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because Your Work was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to Property Damage (other than damage by fire) to premises, including the contents of such premises, rented to the Named Member for a period of 7 or fewer consecutive days. A separate limit of coverage applies to Damage to Premises Rented to the Named Member as described in Section III - Limits of Liability.

Paragraph (2) of this exclusion does not apply if the premises are Your Work and were never occupied, rented or held for rental by the Named Member.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to Property Damage included in the Products-Completed Operations Hazard.

m. Damage to Your Product

Property Damage to Your Product arising out of it or any part of it.

n. Damage to Your Work

Property Damage to Your Work arising out of it or any part of it and included in the Products-Completed Operations Hazard.

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on the Named Member's behalf by a subcontractor.

o. Damage to Impaired Property or Property Not Physically Injured

Property Damage to Impaired Property or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in Your Product or Your Work;
or
- (2) A delay or failure by the Named Member or anyone acting on the Named Member's behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to Your Product or Your Work after it has been put to its intended use.

p. Recall of Products, Work or Impaired Property

Damages claimed for any Loss, cost or expense incurred by the Named Member or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) Your Product;
- (2) Your Work; or
- (3) Impaired Property; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

q. Personal and Advertising Injury

Bodily Injury arising out of Personal and Advertising Injury.

r. Civil Rights Violations

Bodily Injury or Property Damage liability arising out of any Covered Person's actual or alleged violation of another person's state or federal civil rights.

s. Law Enforcement Activities

Bodily Injury or Property Damage arising from Law Enforcement Activities. For purposes of this exclusion, Law Enforcement Activities shall mean any Law Enforcement Activities of the Named Member, and the performance by any other Covered Person of duties as a peace officer (whether on duty or off) or as a member of any law enforcement department or agency.

This exclusion does not apply to:

1. Claims arising out of the condition of real property or improvements thereon, owned or used by the Named Member for its Law Enforcement Activities.
2. Claims arising out of the provision of Medical Services by a Covered Person at a jail or other correctional facility operated by the Named Member, but only if the Covered Person is not a medical doctor or a physician's assistant.
3. Bodily Injury or Property Damage, excluding physical damage to the watercraft, arising out of the ownership, maintenance, operation, use, Loading or Unloading of any watercraft that the Named Member owns, rents or borrows, that is less than 26 feet long, but only while being operated by a Covered Person in the course of his Law Enforcement Activities for the Named Member.

t. Medical Services

Bodily Injury or Property Damage arising out of the rendering or failure to render Medical Services by a private third party including Medical Services administered by a private third party in any:

- (1) Jail or other correction facility owned and/or operated by a private third party;
- (2) Hospital owned and/or operated by a private third party; or
- (3) Nursing home owned and/or operated by a private third party.

For purposes of this exclusion, hospital has the meaning given in Texas Health & Safety Code § 241.003(7).

For purposes of this exclusion, nursing home means a licensed public institution to which Chapter 242, Health and Safety Code, applies.

u. Other Professional Services

Bodily Injury or Property Damage arising out of activities of a Covered Person as an attorney-at-law, architect, engineer or accountant, in the scope of their professional duties as such.

v. Statutory Violations

Bodily Injury or Property Damage arising out of any willful violation of statute, ordinance or regulation committed by or with the knowledge or consent of the Covered Person.

w. Strikes, Riots, Civil Commotions

Bodily Injury or Property Damage arising out of Claims arising out of strikes, riots or civil commotions.

x. Taking, Condemnation or Possession of Property

Bodily Injury or Property Damage arising out of any taking, inverse condemnation or adverse possession of any property.

y. State Responsibility

To any Claim, liability, Loss or Occurrence, for which the State of Texas:

- (1) Has the responsibility to pay or indemnify; or
- (2) Asserts a right to defend; or
- (3) Asserts a right to adjust, handle or settle.

z. Employment-Related Claim

Bodily Injury or Property Damage arising out of any Claim made by anyone related to their employment, termination of employment, application for employment or any employment-related practice, policy, procedure, act, error or omission (such as coercion, demotion, failure to promote, evaluation, reassignment, transfer, discipline, defamation, harassment, humiliation, discrimination, assault, battery, invasion of privacy, malicious prosecution or tort of outrage directed at any person or the failure to provide any person with any benefits of employment, such as retirement, health, life and disability benefits or insurance) even if the injury-causing event occurs before, during or after employment, application for employment or any employment-related practice, policy, procedure, act, error or omission.

aa. Privacy or Security Event Liability and Expense Coverage

(1) This Coverage Part does not provide coverage for any liability, Loss, penalty or expense arising directly or indirectly from any Privacy or Security Event.

(2) For purposes of this exclusion the following terms have the following meanings:

Computer System means computers and associated input and output devices, data storage devices, networking equipment and backup facilities:

- (a) Operated by and either owned by or leased to any Named Member or Covered Person; or

- (b) Operated by a third party service provider and used to provide hosted computer application services to the Named Member or Covered Person or for processing, maintaining, hosting or storing the Covered Person's electronic data pursuant to a written contract with the Named Member or Covered Person for such services.

Personal Information means an individual's name in combination with one or more of the following:

- (a) Information concerning the individual that constitutes nonpublic personal information as defined in the Gramm-Leach Bliley Act of 1999, as amended, and implementing regulations;
- (b) Medical or health care information concerning the individual, including without limitation protected health information as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and implementing regulations;
- (c) The individual's Social Security number, driver's license or state identification number, credit, debit, or other financial account numbers and associated security codes, access codes, passwords or personal identification numbers that allow access to the individual's financial account information; or
- (d) Other nonpublic personally identifiable information, as protected under any local, state, federal or foreign law;

Provided, however, Personal Information does not include information that is lawfully available to the public, including without limitation information lawfully available from any Named Member or Covered Person or any local, state, federal or foreign governmental entity.

Privacy or Security Event means:

- (a) The actual or reasonably suspected theft, Loss or unauthorized disclosure of or access to Personal Information in the care, custody or control of the Named Member or Covered Person or for which the Named Member or Covered Person is legally responsible, regardless of whether such Personal Information is maintained in electronic, paper or any other format; or
- (b) A violation or failure of the security of a Computer System, including but not limited to unauthorized access, unauthorized use, a denial of service attack or receipt or transmission of malicious code.

COVERAGE B: PERSONAL AND ADVERTISING INJURY LIABILITY

1. COVERAGE AGREEMENT

- a. The Pool will pay those sums that the Covered Person becomes legally obligated to pay as damages because of Personal and Advertising Injury to which this Coverage B applies. The Pool will have the right and duty to defend the Covered Person against any Suit seeking those damages. However, the Pool will have no duty to defend the Covered Person against any Suit seeking damages for Personal and Advertising Injury to which this coverage does not apply. The Pool may, at the Pool's discretion, investigate any Occurrence and settle any Claim or Suit that may result. But:

- (1) The amount the Pool will pay for damages is limited as described in Section III - Limits of Liability; and
- (2) The Pool's right and duty to defend end when the Pool has used up the applicable limit of coverage in the payment of judgments or settlements under Coverages A, B, D, E, F or G or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage H: Supplementary Payments For Coverages A, B, D, E, F and G.

- b. This coverage applies to Personal and Advertising Injury caused by an offense arising out of the Named Member's business but only if the offense was committed in the coverage territory during the coverage period.

2. EXCLUSIONS

This Personal and Advertising Injury Coverage does not apply to:

- a. Personal and Advertising Injury:
- (1) Caused by or at the direction of the Covered Person with the knowledge that the act would violate the rights of another and would inflict Personal and Advertising Injury;
 - (2) Arising out of oral or written publication of material, if done by or at the direction of the Covered Person with knowledge of its falsity;
 - (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the coverage period;
 - (4) Arising out of a criminal act committed by or at the direction of any Covered Person;

- (5) For which the Covered Person has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the Covered Person would have in the absence of the contract or agreement;
- (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in the Named Member's Advertisement;
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in the Named Member's Advertisement;
- (8) Arising out of the wrong description of the price of goods, products or services stated in the Named Member's Advertisement;
- (9) To another Covered Person under this Document.
- (10) Committed by a Covered Person whose business is advertising, broadcasting, publishing or telecasting, designing or determining content of websites for others, or an internet search, access content or service provider. However, this exclusion does not apply to Paragraphs 27. a., b. and c. of Personal and Advertising Injury under the Definitions Section

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for the Named Member or others anywhere on the internet, is not by itself, considered the business of advertising, broadcasting, publishing, or telecasting.

- (11) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of Pollutants at any time.
- (12) Arising out of a Covered Person's infringement of copyright, patent, trademark, trade secret or other intellectual property rights.
- (13) Arising out of an electronic chat room or bulletin board a Covered Person hosts, owns, or over which a Covered Person exercises control.
- (14) Arising out of the unauthorized use of another's name or product in the Named Member's or Covered Person's E-mail address, domain name or metatag.
- (15) Bodily Injury or Property Damage arising out of any Claim made by anyone related to their employment, termination of employment, application for employment or any employment-related practice, policy, procedure, act, error or omission (such as coercion, demotion, failure to promote, evaluation, reassignment, transfer, discipline, defamation, harassment, humiliation, discrimination, assault, battery, invasion of privacy, malicious prosecution or tort of outrage directed at any person or the failure to

provide any person with any benefits of employment, such as retirement, health, life and disability benefits or insurance)

(16) Arising out of a Privacy or Security Event as set forth in Section 1 Coverage A, Subsection 2.z. of this Coverage Document. All of the provisions in Section 1 Coverage A, Subsection 2.z., Privacy or Security Event Liability and Expense Coverage are applicable to this Personal and Advertising Liability Coverage exclusion.

(17) Arising out of the ownership, maintenance, use or entrustment to others of any Aircraft owned, operated by, rented, loaned to, or borrowed by the Covered Person. This exclusion applies even if the Claims against the Covered Person allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by the Covered Person.

b. Any Loss, cost or expense arising out of any:

(1) Request, demand or order that any Covered Person or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, Pollutants; or

(2) Claim or Suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, Pollutants.

c. Civil Rights Violations

Personal and Advertising Injury liability arising out of any Covered Person's actual or alleged violation of another person's state or federal civil rights.

d. Communicable Disease

Personal and Advertising Injury arising out of the actual or alleged transmission of a communicable disease.

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

(1) Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

(2) Testing for a communicable disease;

(3) Failure to prevent the spread of the disease; or

(4) Failure to report the disease authorities.

e. Law Enforcement Activities

Personal and Advertising Injury arising from Law Enforcement Activities. For purposes of this exclusion, Law Enforcement Activities shall mean any Law Enforcement Activities of the Named Member, and the performance by any other Covered Person of duties as a peace officer (whether on duty or off) or as a member of any law enforcement department or agency.

f. Professional Services

Personal and Advertising Injury arising out of activities of a Covered Person as an attorney-at-law, architect, engineer, accountant, physician, or other healthcare professional, in the scope of their professional duties as such.

g. Statutory Violations

Personal and Advertising Injury arising out of any willful violation of statute, ordinance or regulation committed by or with the knowledge or consent of the Covered Person.

h. Strikes, Riots, Civil Commotions

Personal and Advertising Injury arising out of strikes, riots or civil commotions.

i. Taking, Condemnation or Possession of Property

Personal and Advertising Injury arising out of any taking, inverse condemnation or adverse possession of any property.

j. Breach of Contract

Personal and Advertising Injury arising out of a Covered Person's breach of contract. But this exclusion shall not apply to liability that the Covered Person would have in the absence of the contract.

k. Dishonesty

Personal and Advertising Injury arising out of Claims brought about or contributed to by the alleged dishonesty of the Covered Person.

l. State Responsibility

Personal and Advertising Injury arising out of any Claim, liability, Loss or Occurrence, for which the State of Texas:

(1) Has the responsibility to pay or indemnify; or

- (2) Asserts a right to defend; or
- (3) Asserts a right to adjust, handle or settle.

COVERAGE C: MEDICAL PAYMENTS

1. COVERAGE AGREEMENT

a. The Pool will pay medical expenses as described below for Bodily Injury caused by an Occurrence:

- (1) On premises the Named Member owns or rents;
- (2) On ways next to premises the Named Member owns or rents; or
- (3) Because of the Named Member's operations;

provided that:

- (1) The Occurrence takes place in the coverage territory and during the coverage period;
- (2) The expenses are incurred and reported to the Pool within one year of the date of the Occurrence; and
- (3) The injured person submits to examination, at the Pool's expense, by physicians of the Pool's choice as often as the Pool reasonably requires.

b. The Pool will make these payments regardless of fault. The amount the Pool will pay for these payments is limited as described in Section III - Limits of Liability. The Pool will pay reasonable expenses for:

- (1) First aid administered at the time of an Occurrence;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

c. The Pool's payment of covered medical expenses under this Coverage does not constitute an admission of fault or liability by or on behalf of any Covered Person.

d. No deductible applies.

2. EXCLUSIONS

The Pool will not pay expenses for Bodily Injury:

- a. To any Covered Person except Volunteers.
- b. To a person hired to do work for or on behalf of any Covered Person or a tenant of any Covered Person.
- c. To a person injured on that part of the premises the Named Member owns or rents that the person normally occupies.
- d. To a person, whether or not an Employee of any Covered Person, if benefits for the Bodily Injury are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while practicing, instructing, or participating in any physical exercises, games, sports or athletic events.
- f. Included within the Products-Completed Operations Hazard.
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
- i. For any Claim, liability, Loss or Occurrence, for which the State of Texas:
 - (1) Has the responsibility to pay or indemnify; or
 - (2) Asserts a right to defend; or
 - (3) Asserts a right to adjust handle or settle.

COVERAGE D: EMPLOYEE BENEFITS LIABILITY

1. COVERAGE AGREEMENT

- a. The Pool will pay on behalf of a Covered Person those sums which the Covered Person becomes legally obligated to pay as damages because of Claims made by the Named Member's Employees, former Employees, or the beneficiaries or legal representatives thereof, to which this Employee Benefits Liability coverage applies, because of any Wrongful Act of the Covered

Person, or any other person for whose acts the Covered Person is legally liable, in the Administration of the Named Member's Employee Benefits programs.

- b. The Pool will have the right and duty to defend any Suit seeking those damages. However, the Pool will have no duty to defend any Suit seeking damages to which this coverage does not apply. The Pool may, at the Pool's discretion, investigate any Wrongful Act and settle any Claim or Suit that may result, but:
 - (1) The Pool's right and duty to defend end when the Pool has used up the applicable limit of liability in the payment of judgments or settlements under Coverages A, B, D, E, F or G or medical expenses under Coverage C.
 - (2) No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage H: Supplementary Payments For Coverage A, B, D, E, F and G.
 - (3) The Pool will not settle any Suit without the Named Member's written consent. However, if the Named Member withholds its consent to any settlement recommended by the Pool and elects to contest a Claim or continue the litigation, then the Pool's liability for that Claim will not exceed the amount for which that Claim would have been settled plus defense costs incurred, up to the date the Named Member withheld consent.
- c. This coverage applies only to Claims
 - (1) Which are first brought against the Covered Person during the coverage period, and
 - (2) If, at the inception date of this Coverage Document, the Covered Person had no knowledge of and could not have reasonably foreseen any circumstances which might result in a Claim or Suit.
- d. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for herein.
- e. The Coverage H: Supplementary Payments provisions of this General Liability Coverage Document shall also apply to the coverage afforded under this Employee Benefits Liability Coverage.

2. EXCLUSIONS

Employee Benefits Liability Coverage does not apply to:

- a. Any dishonest, fraudulent, criminal or malicious act, libel, slander, discrimination, or humiliation;

- b. Bodily Injury to, or sickness, disease, or death, of any person, or to injury to or destruction of any tangible property, including the loss of use thereof;
- c. Any Claim for failure of performance of contract by any insurer;
- d. Any Claim based upon the Covered Person's failure to comply with any law concerning Workers' Compensation, Unemployment Insurance, Social Security or Disability Benefits;
- e. Any Claim based upon failure of an investment to perform as represented;
- f. Any Claim based upon advice given by a Covered Person to an Employee of the Named Member to participate or not to participate in stock subscription plans.
- g. Any Claim based upon any actual or alleged error or omission or breach of duty, committed or alleged to have been committed by a trustee, in the discharge of fiduciary duties, obligations or responsibilities imposed by the Federal Employee Retirement Income Security Act of 1974.
- h. Privacy and Security Event Liability and Expense Coverage

(1) This Coverage Part does not provide coverage for any liability, Loss, penalty or expense arising directly or indirectly from any Privacy or Security Event.

(2) For purposes of this exclusion the following terms have the following meanings:

Computer System means computers and associated input and output devices, data storage devices, networking equipment and backup facilities:

- (a) Operated by and either owned by or leased to any Named Member or Covered Person; or
- (b) Operated by a third party service provider and used to provide hosted computer application services to the Named Member or Covered Person or for processing, maintaining, hosting or storing the Covered Person's electronic data pursuant to a written contract with the Named Member or Covered Person for such services.

Personal Information means an individual's name in combination with one or more of the following:

- (a) Information concerning the individual that constitutes nonpublic personal information as defined in the Gramm-Leach Bliley Act of 1999, as amended, and implementing regulations;
- (b) Medical or health care information concerning the individual, including without limitation protected health information as defined in the Health Insurance

Portability and Accountability Act of 1996, as amended, and implementing regulations;

- (c) The individual's Social Security number, driver's license or state identification number, credit, debit, or other financial account numbers and associated security codes, access codes, passwords or personal identification numbers that allow access to the individual's financial account information; or
- (d) Other nonpublic personally identifiable information, as protected under any local, state, federal or foreign law;

Provided, however, Personal Information does not include information that is lawfully available to the public, including without limitation information lawfully available from any Named Member or Covered Person or any local, state, federal or foreign governmental entity.

Privacy or Security Event means:

- (a) The actual or reasonably suspected theft, Loss or unauthorized disclosure of or access to Personal Information in the care, custody or control of the Named Member or Covered Person or for which the Named Member or Covered Person is legally responsible, regardless of whether such Personal Information is maintained in electronic, paper or any other format; or
- (b) A violation or failure of the security of a Computer System, including but not limited to unauthorized access, unauthorized use, a denial of service attack or receipt or transmission of malicious code.

- i. Personal and Advertising Injury.
- j. Any insufficiency of funds to meet any obligations under an Employee Benefits plan.
- k. Any liability arising from the termination of an Employee Benefits plan.
- l. Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

3. LIMITS OF LIABILITY AND DEDUCTIBLE

- a. The Limits of Liability are inclusive of a Claim against a Named Member for Employee Benefits Liability Coverage. The amount the Pool will pay for damages is limited as described in Section III - Limits of Liability.
- b. Regardless of the number of persons making Claims, or the number of Covered Persons against whom Claims are made, the Limit of Liability stated in Section III Limits of Liability is the most

the Pool will pay for all damages incurred on account of all Occurrences during the coverage period.

- c. With respect to the limits of liability under this Employee Benefits Coverage the Pool's obligations to pay amounts and to defend Claims or Suits will only apply in excess of the applicable deductible of \$1,000 unless otherwise stated on the CCD.
- d. All amounts expended by the Pool, or with the Pool's consent, in defending any Claim or Suit (including attorney's fees, expert witness fees, litigation expenses and costs of court), are includable within the deductible amount.

4. DUTIES IN THE EVENT OF A WRONGFUL ACT, CLAIM OR SUIT UNDER THE EMPLOYEE BENEFITS LIABILITY COVERAGE.

- a. The Named Member and any Covered Person involved must notify the Pool as soon as practicable. To the extent possible, notice should include:
 - (1) How, when and where Wrongful Act 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 Wrongful Act.
- b. If a demand is received or Claim or Suit is brought against any Covered Person, the Named Member and the Covered Person involved must:
 - (1) Immediately record the specifics of the demand or Suit and the date received; and
 - (2) Notify the Pool as soon as practicable.
- c. The Named Member and any other involved Covered Person must:
 - (1) Immediately send the Pool copies of any demands, notices, summonses or legal papers received in connection with the Claim or Suit;
 - (2) Authorize the Pool to obtain records and other information;
 - (3) Cooperate with the Pool in the investigation or settlement of the Claim or defense against the Suit; and
 - (4) Assist the Pool, upon the Pool's request, in the enforcement of any right against any person or organization which may be liable to the Covered Person because of injury or damage to which this coverage may also apply.

- d. No Covered Person will, except at that Covered Person's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Pool's consent.
- e. No Covered Person will, without the Pool's written consent:
 - (1) Assume or admit any liability; or
 - (2) Waive, abridge, prejudice or fail to assert any right of sovereign or official immunity, limitation of liability, or other defense to liability for amounts otherwise payable under this Document.
- f. In connection with any investigation the Pool may make regarding the applicability of this Employee Benefits Coverage for any Claim or Suit under this Document, or the nature or extent of a Claim or Suit payable under this Document, the Named Member and Covered Person involved agree to provide any relevant Documents or records, submit to examination under oath at the Pool's request and give the Pool a signed statement of his or her answers, as often as the Pool may reasonably require.

COVERAGE E: GARAGE KEEPER'S LIABILITY COVERAGE

1. COVERAGE

- a. The Pool will pay all sums that a Covered Person becomes legally obligated to pay up to the Pool's Limit of Liability as set forth in this coverage as damages for Loss to an Auto, Auto equipment, or any part of an Auto in the Named Member's custody or control while the Auto is attended, parked or stored in the Named Member's Garage Operations.
- b. The Pool has the right and duty to defend any Covered Person against a Suit asking for these damages. However, the Pool has no duty to defend a Covered Person against a Suit seeking damages for any Loss to which this coverage does not apply. The Pool may investigate and settle any Claim or Suit as the Pool considers appropriate.
- c. The Pool's right and duty to defend end when the Pool has used up the applicable limit of coverage in the payment of judgments or settlements under Coverages A, B, D, E or F or medical expenses under Coverage C.
- d. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A, B, D, E, F and G.
- e. This coverage applies to a Loss only if:
 - (1) The Loss is caused by an Occurrence that takes place in the coverage territory; and
 - (2) The Loss occurs during the coverage period.

2. SUPPLEMENTARY PAYMENTS

The Coverage H: Supplementary Payments provision of the General Liability Coverage Document shall also apply to the coverage afforded under this Garage Keeper's Legal Liability Coverage.

3. EXCLUSIONS

- a. This Garage Keeper's Legal Liability coverage does not apply to any of the following:
- (1) Contractual Obligations – Liability resulting from any agreement by which a Covered Person accepts responsibility for Loss.
 - (2) Theft – Loss due to theft or conversion caused in any way by the Named Member or the Named Member's Employees.
 - (3) Defective Parts – Defective parts or materials.
 - (4) Faulty work – Faulty work a Covered Person performs.
- b. The Pool will not pay for Loss to any of the following:
- (1) Sound reproducing equipment unless permanently installed in an Auto.
 - (2) Tapes, records or other sound reproducing devices designed for use with sound reproducing equipment.
 - (3) Sound receiving equipment designed for use as a citizen's band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the Auto manufacturer for the installation of a radio.
 - (4) Equipment designed or used for the detection or location of radar.
- c. The Pool will not pay for Loss caused by or resulting from any of the following unless caused by other Loss that is covered.
- (1) Wear and tear, freezing, mechanical or electrical breakdown.
 - (2) Blowouts, punctures or other road damage to tires.
- d. This coverage does not apply to Loss due to theft of an Auto or any portion of an Auto or contents of the Auto:

(1) When the lot where Autos are located is not protected at all entrances, exits, openings and the entire perimeter by fences, gates, or heavy chains and locks; or

(2) When the building where Autos are located is not protected with locked and secured openings.

e. This coverage does not apply to Loss to an Auto arising out of the ownership, operation, maintenance or use of any Auto in the Named Member's Garage Operations.

f. This coverage does not apply to Loss to an Auto arising out of any repossession of non-owned Autos.

4. LIMITS OF LIABILITY

Regardless of the number of Autos, Covered Persons, contributions paid, Claims made or Suits brought, the most the Pool will pay at any one location for any one Occurrence is limited as described in Section III - Limits of Liability.

5. DEDUCTIBLE

For each Auto, the Pool's obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible of \$1,000 unless otherwise stated in the CCD.

6. LOSS ADJUSTMENT AND SETTLEMENT

The most the Pool will pay under the provisions of this Garage Keeper's Liability Legal Liability coverage for any one Loss at any one location, regardless of the number of Autos, is the lesser of:

a. The actual cash value of the damaged Auto at the time of Loss;

b. The cost of repairing the Auto(s) to the condition that existed before the Loss;

c. The amount awarded or ordered by settlement agreement or judgment as a result of the Loss; or

d. The Named Member's Limit of Liability as described in Section III - Limits of Liability.

COVERAGE F: PRODUCTS-COMPLETED OPERATIONS HAZARD

1. The Pool will pay those sums that the Covered Person becomes legally obligated to pay as damages because of all Bodily Injury and Property Damage occurring away from premises the Named Member owns or rents and arising out of Your Product or Your Work except:

a. Products that are still in the Named Member's physical possession; or

- b. Work that has not yet been completed or abandoned. However, Your Work will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in the Named Member's contract has been completed.
 - (2) When all of the work to be done at the job site has been completed if the Named Member's contract calls for work at more than one job site.
 - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- 2. Does not include Bodily Injury or Property Damage arising out of:
 - a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by the Named Member, and that condition was created by the Loading or Unloading of that vehicle by any Covered Person;
 - b. The existence of tools, uninstalled equipment or abandoned or unused materials.

COVERAGE G: CRISIS MANAGEMENT COVERAGE

1. COVERAGE

- a. The Pool will pay on behalf of the Named Member reasonable and necessary Crisis Management Expenses incurred because of a Crisis Event to which this coverage applies. The Crisis Event must take place during the coverage period shown in the CCD and within the coverage territory.
- b. If a Workplace Violence Event occurs at any premises of the Named Member during the coverage period shown in the CCD, the Pool will pay on behalf of the Named Member reasonable and necessary Workplace Violence Counseling Expenses incurred for the emotional counseling for any Covered Person.

2. LIMITS OF LIABILITY

- a. Regardless of the number of persons making Claims, or the number of Covered Persons against whom Claims are made, the Limit of Liability stated in Section III Limits of Liability is the most the Pool will pay for all damages incurred on account of all Crisis Management Expenses during the coverage period.

3. DEFINITIONS

The following definitions apply to this coverage:

- a. Crisis Event means an emergency situation, which results in or there is imminent risk of significant adverse news media coverage about the Named Member, including but not limited to:
 - i. Intentional acts, such as arson, a bombing, the taking of hostages, a mass shooting, or terrorism to:
 - ii. Collapse of a building, structure or equipment;
 - iii. An automobile, watercraft or aircraft accident;
 - iv. Spread of food-borne illness; or
 - v. An explosion

All related acts committed by one or more individuals shall be considered one Crisis Event.

- b. Crisis Management Expenses means those expenses incurred for services provided by a Crisis Management Firm. However, this shall not include compensation, fees, benefits, overhead, charges, or expenses of any Covered Person, nor any expenses that are payable on the Named Member's behalf or reimbursable to the Named Member under any other valid and collectible insurance. This also shall not include legal fees and expenses incurred by the Named Member for legal advice or services sought in anticipation of, or upon actual receipt of, a claim alleging liability arising out of a Crisis Event.
- c. Crisis Management Firm means any independent qualified services provider hired by the Named Member that is acceptable to the Pool. The Pool's consent will not be unreasonably withheld.
- d. Workplace Violence Event means any intentional use of or threat to use deadly force by any person, with intent to cause harm and results in bodily injury sustained by any Covered Person or any other person while on the Named Member's premises.
- e. Workplace Violence Counseling Expenses means the cost of hiring an independent professional counseling firm for the provision of counseling services to any Covered Person.

4. CONDITIONS

The following conditions are applicable to this coverage and replace any similar conditions in the Coverage Document.

- a. The Named Member must notify the Pool by telephone as soon as practicable, but within forty-eight (48) hours of a Crisis Event or Workplace Violence Event which may result in Crisis Management Expenses and/or Workplace Violence Counseling Expenses.
- b. Thereafter, the Named Member must provide written notice, as soon as practicable, but no later than ninety (90) days after the Crisis Event or Workplace Violence Event was initiated. To the extent possible this written notice should include:
 1. How, when and where the event took place;
 2. Names and addresses of affected individuals and witnesses; and
 3. The nature and location of any injury or damage arising out of the event.

If Crisis Management Expenses or Workplace Violence Counseling Expenses provided by this coverage are also provided to a Named Member by any other Coverage Document by the Pool, the maximum limit of liability with respect to that Named Member shall be the maximum limit of liability applicable under any one Coverage Period.

All other terms and conditions of the Coverage Document remain the same.

COVERAGE H: SUPPLEMENTARY PAYMENTS: FOR COVERAGES A, B, D, E, F AND G

1. The Pool will pay, with respect to any Claim the Pool investigates or settles, or any Suit against a Covered Person the Pool defends:
 - a. All expenses the Pool incurs.
 - b. Up to \$250 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. The Pool does not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of coverage. The Pool does not have to furnish these bonds.
 - d. All reasonable expenses incurred by the Covered Person at the Pool's request to assist the Pool in the investigation or defense of the Claim or Suit, including actual Loss of earnings up to \$100 a day because of time off from work.
 - e. All costs taxed against the Covered Person in the Suit.
 - f. Pre-judgment interest awarded against the Covered Person on that part of the judgment the Pool pays. If the Pool makes an offer to pay the applicable limit of coverage, the Pool will not pay any pre-judgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before the Pool has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of coverage.
- h. Expenses incurred by a Covered Person for first aid to others at the time of an accident, for Bodily Injury to which this Document applies.

These supplementary payments will not reduce the Limits of Liability.

- 2. If the Pool defends a Covered Person against a Suit and an indemnitee of the Covered Person is also named as a party to the Suit, the Pool will defend that indemnitee if all of the following conditions are met:
 - a. The Suit against the indemnitee seeks damages for which the Covered Person has assumed the liability of the indemnitee in a contract or agreement that is an Insured Contract;
 - b. This coverage applies to such liability assumed by the Covered Person;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the Covered Person in the same Insured Contract
 - d. The allegations in the Suit and the information the Pool knows about the Occurrence are such that no conflict appears to exist between the interests of the Covered Person and the interests of the indemnitee;
 - e. The indemnitee and the Covered Person ask the Pool to conduct and control the defense of that indemnitee against such Suit and agree that the Pool can assign the same counsel to defend the Covered Person and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with the Pool in the investigation, settlement or defense of the Suit;
 - (b) Immediately send the Pool copies of any demands, notices, summonses or legal papers received in connection with the Suit;
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with the Pool with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides the Pool with written authorization to:
 - (a) Obtain records and other information related to the Suit; and

- (b) Conduct and control the defense of the indemnitee in such Suit.

So long as the above conditions are met, attorneys' fees incurred by the Pool in the defense of that indemnitee, necessary litigation expenses incurred by the Pool and necessary litigation expenses incurred by the indemnitee at the Pool's request will be paid as supplementary payments.

Notwithstanding the provisions of Paragraph 2.b. (2) of Section I - Coverage A - Bodily Injury and Property Damage Liability, such payments will not be deemed to be damages for Bodily Injury and Property Damage and will not reduce the Limits of Liability.

The Pool's obligation to defend a Covered Person's indemnitee and to pay for attorneys' fees and necessary litigation expenses as supplementary payments ends when:

- a. The Pool has used up the applicable limit of coverage in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS A COVERED PERSON

Each of the following is a Covered Person:

- 1. The Named Member.
- 2. The Named Member's Officials, Employees and Volunteers, but only for acts within the scope of their employment by the Named Member or while performing duties related to the conduct of the Named Member's business. However, none of these Officials, Employees or Volunteers is a Covered Person for:
 - a. Bodily Injury or Personal and Advertising Injury:
 - (1) To the Named Member or another of its Officials, Employees or Volunteers.
 - (2) To the spouse, child, parent, brother or sister of that other Official, Employee or Volunteer, as a consequence of Paragraph a. (1) above;
 - (3) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs a. (1) or a. (2) above; or
 - b. Property Damage to property:
 - (1) Owned, occupied or used by,

- (2) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by, the Named Member or any of its Officials, Employees or Volunteers.
3. Any person or organization having proper temporary custody of the Covered Person's property if the Covered Person dies, but only:
 - a. With respect to liability arising out of the maintenance or use of that property; and
 - b. Until the Covered Person's legal representative has been appointed.
4. The Covered Person's legal representative if the Covered Person dies, but only with respect to duties as such. That representative will have all the Covered Person's rights and duties under this Coverage Document.
5. With respect to Mobile Equipment registered in the Named Member's name under any motor vehicle registration law, any person is a Covered Person while driving such equipment along a public highway with the Named Member's permission. Any other person or organization responsible for the conduct of such person is also a Covered Person, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is a Covered Person with respect to:
 - a. Bodily Injury to a co-Employee of the person driving the equipment; or
 - b. Property Damage to property owned by, rented to, in the charge of or occupied by the Named Member, its Officials, Employees or Volunteers, or the employer of any person who is a Covered Person under this provision.

SECTION III – LIMITS OF LIABILITY

1. The Pool will pay all sums per Occurrence, up to the Pool's Limits of Liability as set forth in the CCD or otherwise stated in this section regardless of the number of Covered Persons, Claims made or Suits brought, or persons or organizations making Claims or bringing Suits, for the following:
 - a. Bodily Injury and Property Damage under Coverage A to which this coverage applies, arising out of an Occurrence.
 - b. Damage to Premises Rented to the Named Member under Coverage A is subject to a limit of \$100,000 for damages because of Property Damage to any one premises while rented to the Named Member, or in the case of damage by fire, while rented to the Named Member or temporarily occupied by the Named Member with permission of the owner.
 - c. Personal and Advertising Injury under Coverage B to which this coverage applies, arising out of an Occurrence.

- d. The Medical Expense Limit under Coverage C is \$5,000 for all medical expenses because of Bodily Injury sustained by any one person and any payments made under Coverage C will erode the limits as listed on the CCD for Coverage A.
 - e. The Employee Benefits Liability Limit under Coverage D is \$500,000 per coverage period.
 - f. The Garage Keeper's Liability Coverage Limit under Coverage E is \$50,000.
 - g. Products-Completed Operations Hazard Coverage Limit under Coverage F is \$100,000 per occurrence.
 - h. Crisis Management Coverage Limit under Coverage G is \$100,000 per coverage period.
2. The Limits of Liability apply separately to each consecutive annual coverage period and to any remaining period of less than 12 months, starting with the beginning of the coverage period shown in the CCD, unless the coverage 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 coverage period for purposes of determining the Limits of Liability.
3. The Named Member is wholly responsible for paying the entire Deductible shown in the CCD or within this Coverage Document. A Covered Person, other than the Named Member, has no individual responsibility for paying any portion of the Deductible, and is fully covered for the amount of any liability not in excess of the Texas Tort Claims Limits, as referenced in Texas Civil Practices and Remedies Code Section 108.002.

At the option and discretion of the Pool, the Pool may pay all or part of the Deductible amount to effect settlement, and, upon notification to the Named Member, Named Member shall promptly reimburse the Pool for all expenditures. If the Pool pays any Claims Expenses which fall within the Deductible amount stated in the CCD or within this Coverage Document, the Named Member, upon notification, shall promptly reimburse the Pool for all expenditures.

SECTION IV - GENERAL LIABILITY CONDITIONS

This General Liability Coverage Document and, unless otherwise indicated therein, all other forms and endorsements forming a part of this Coverage Document are subject to the following Conditions:

1. **COVERAGE TERRITORY**

Under this Document, the Pool covers Occurrences occurring within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;

- c. Puerto Rico; and
- d. Canada;
- e. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a.-d., above; or
- f. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by the Named Member in the territory described in a. above; or
 - (b) The activities of a Covered Person whose home is in the territory described in a. above, but is away for a short time on the Named Member's business; and
 - (2) The Covered Person's responsibility to pay damages is determined in a Suit on the merits, in the territory described in a.-d. above or in a settlement the Pool agrees to.

2. DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT

- a. The Named Member and any Covered Person involved must notify the Pool as soon as practicable of an Occurrence which may result in a Claim. To the extent possible, notice should include:
 - (1) How, when and where the Occurrence 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 Occurrence.
- b. If a Claim is made or Suit is brought against any Covered Person, the Named Member and the Covered Person involved must:
 - (1) Immediately record the specifics of the Claim or Suit and the date received; and
 - (2) Notify the Pool as soon as practicable.

The Named Member must see to it that the Pool receives written notice of the Claim or Suit as soon as practicable.

- c. The Named Member and any other involved Covered Person must:

- (1) Immediately send the Pool copies of any demands, notices, summonses or legal papers received in connection with the Claim or Suit;
 - (2) Authorize the Pool to obtain records and other information;
 - (3) Cooperate with the Pool in the investigation or settlement of the Claim or defense against the Suit; and
 - (4) Assist the Pool, upon the Pool's request, in the enforcement of any right against any person or organization which may be liable to the Covered Person because of injury or damage to which this coverage may also apply.
- d. No Covered Person will, except at that Covered Person's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Pool's consent.
- e. No Covered Person will, without the Pool's written consent:
- (1) Assume or admit any liability; or
 - (2) Waive, abridge, prejudice or fail to assert any right of sovereign or official immunity, limitation of liability, or other defense to liability for amounts otherwise payable under this Coverage Document.
- f. In connection with any investigation the Pool may make regarding the applicability of this coverage for any Claim or Suit under this Coverage Document, or the nature or extent of a Claim or Suit payable under this Coverage Document, the Named Member and Covered Person involved agree to provide any relevant documents or records, submit to examination under oath at the Pool's request and give the Pool a signed statement of his or her answers, as often as the Pool may reasonably require.

3. BANKRUPTCY

Bankruptcy or insolvency of a Covered Person or the Covered Person's estate will not relieve the Pool of any obligations under this Coverage Document.

4. LEGAL ACTION AGAINST THE POOL

- a. No one may bring a legal action against the Pool under this Coverage Document until:
- (1) There has been full compliance with all the terms of this Coverage Document; and
 - (2) The amount of the Covered Person's liability has been determined by final judgment pursuant to a fully adversarial trial, or by an agreed settlement and release of liability

signed by the Pool, the Covered Person and the claimant or the claimant's legal representative.

- b. A person or organization may sue the Pool to recover on such a judgment or agreed settlement, but the Pool will not be liable for damages that are not payable under the terms of this Coverage Document or that are in excess of the applicable limit of liability.
- c. No one has the right under this Coverage Document to bring the Pool into an action to determine a Covered Person's liability.

5. TRANSFER OF THE NAMED MEMBER'S RIGHTS AND DUTIES UNDER THIS COVERAGE DOCUMENT

- a. A Covered Person's rights and duties under this Coverage Document may not be transferred without the Pool's written consent, except in the case of death of an individual Covered Person.
- b. If a Covered Person dies, his rights and duties will be transferred to his legal representative but only while acting within the scope of duties as his legal representative. Until that legal representative is appointed, anyone having proper temporary custody of the Covered Person's property will have his rights and duties but only with respect to that property.

6. TRANSFER OF RIGHTS OF RECOVERY AGAINST ANOTHER TO THE POOL

If any person or organization to or for whom the Pool makes payments under this Coverage Document has rights to recover damages from another, those rights are transferred to the Pool. That person or organization must do everything necessary to secure the Pool's rights and must do nothing after an Occurrence or Loss to impair them.

7. DELIVERY OF THIS COVERAGE DOCUMENT

Delivery of this Coverage Document to the Named Member shall be considered delivery to each Covered Person, and the Named Member is authorized by each Covered Person to accept delivery on the Covered Person's behalf.

8. CONTRIBUTIONS

- a. All Contributions charged for this Coverage Document shall be computed in accordance with the Pool's rates and rating plans, as approved by the Pool's Board of Directors. The Named Member agrees to maintain records of all information that the Pool requires for computation of Contributions, and to send copies of such records to the Pool at such times as the Pool reasonably requires.
- b. The Named Member shall pay promptly all Contributions or other payments to the Pool at such times and in such manner as shall be established by the Pool's Bylaws. Any delinquent payments shall be paid with interest as prescribed by the Pool's Bylaws.

- c. The Named Member will be the payee for any return Contributions or other payments the Pool pays.
- d. If during the coverage period, there is a material change in the Named Member's operations, premises owned or other risks or hazards covered by this Coverage Document, the Named Member shall notify the Pool as soon as possible during the coverage period, and the Pool may, at its discretion, adjust the Contribution for this Coverage Document, in accordance with the Pool's rates and rating plans, as approved by the Pool's Board of Directors. If the earned Contribution thus computed exceeds the advance Contribution paid, the Named Member shall pay the excess to the Pool; if less, the Pool shall refund or credit to the Named Member the unearned portion paid.

9. CANCELLATION OR NON-RENEWAL

- a. Either party to this Coverage Document may cancel or non-renew this Document by giving notice of such intent to the other party. The notice must be in writing and must be delivered by certified mail, return receipt requested via U.S. Mail to the other party. Except for notice of cancellation or non-renewal by the Pool for nonpayment of Contributions, such notice must be given not less than sixty (60) days prior to the effective date of cancellation.
- b. The Pool may, in the Pool's sole discretion, permit the Named Member, upon the Named Member's written request, to terminate this Coverage Document by giving the Pool not less than thirty (30) days' notice.
- c. Notice of cancellation by the Named Member must be addressed to:

Texas Association of Counties Risk Management Pool
Attn: Member Services
P.O. Box 2131
Austin, Texas 78768-2131

- d. The Pool may cancel or non-renew this Coverage Document:
 - (1) For nonpayment of Contributions, unless other provision for payment has been made by express written agreement between the Named Member and the Pool;
 - (2) If there is an increase in risk or hazard within the Named Member's control which would result in an increase in the rate or amount of Contribution;
 - (3) For fraud in the obtaining of coverage;
 - (4) If the Pool is placed in supervision, conservatorship, receivership and the cancellation is approved or directed by the supervisor, conservator or receiver;

- (5) If the Named Member does not implement risk management techniques required by the Pool during the initial coverage period, or if risk management techniques do not result in the Named Member's attaining a risk level sufficient to meet the Pool's underwriting criteria during the initial coverage period;
 - (6) If the Interlocal Participation Agreement between the parties is terminated or the Named Member withdraws or is expelled from the Pool;
 - (7) For the Named Member's violation of any of the Named Member's other obligations under the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.
- e. If the Pool cancels this Coverage Document for nonpayment of Contributions, such cancellation shall be effective at 12:01 a.m. on the tenth (10th) day following the Pool's placement of the notice of cancellation in the U.S. Mail. These Conditions do not waive or alter any other applicable provisions of the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.
- f. Notice of cancellation by the Pool may be given to the county judge or presiding officer of the Named Member at the Named Member's address shown in the CCD.

10. RETAINED CONTRIBUTION PROPORTIONS

- a. If this Coverage Document is terminated by the Named Member, the Pool shall retain the customary short rate proportion of the Contribution.
- b. If this Coverage Document is terminated by or on behalf of the Pool, the Pool shall retain the customary pro-rata proportion of the Contribution.

11. CHANGES

This Coverage Document, the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the Pool's duly-adopted underwriting standards and criteria constitute the agreements between the Named Member and the Pool concerning the coverage afforded. The Named Member is authorized to make changes in the terms of this Coverage Document only with consent of the Pool's duly-authorized representative. The Pool may make changes to this Coverage Document, as permitted by the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and/or the laws governing the creation and operation of the Pool. This Coverage Document's terms cannot be amended or waived without the written authorization of the Pool. Any changes to the Pool's Bylaws, the Interlocal Participation Agreement between the Pool and the Named Member, or the Pool's underwriting standards or criteria are incorporated herein.

12. LIBERALIZATION

If the Pool changes this Coverage Document to provide more coverage without additional premium charge, the additional coverage will be effective as of the day indicated in the Pool's written notice of change to the Named Member.

13. EXAMINATION OF THE NAMED MEMBER'S BOOKS AND RECORDS

The Pool may examine and audit the Named Member's books and records as they relate to this Coverage Document or as may be required for the Administration of the Pool.

14. INSPECTIONS AND LOSS CONTROL

The Pool has the right but is not obligated to:

- a. Make inspections and surveys at any time;
- b. Make risk management appraisals of the Named Member's operations, policies, procedures, vehicles, personnel and/or facilities;
- c. Require the Named Member to implement and follow risk management procedures or techniques established by the Pool to reduce risk sufficient to meet the Pool's underwriting criteria. Any inspections, surveys, reports or requirements relate only to the Named Member's eligibility for liability coverage and the Contribution to be charged. The Pool does not make safety inspections. The Pool does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, nor does the Pool warrant that conditions:
 - (1) Are safe or healthful; or
 - (2) Comply with laws, regulations, codes or standards.

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

15. OTHER INSURANCE OR COVERAGE

If other valid and collectible insurance or liability coverage is available to the Covered Person for a Loss the Pool covers under Coverages A, B, D, E or F of this Coverage Document, the Pool's obligations are limited as follows:

a. Primary Coverage

This coverage is primary except when b. below applies. If this coverage is primary, the Pool's obligations are not affected unless any of the other insurance or coverage is also primary. Then, the Pool will share with all other insurance by the method described in c. below.

b. Excess Coverage

This coverage is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for Your Work;
 - (b) That is Fire insurance for premises rented to the Named Member or temporarily occupied by the Named Member with permission of the owner;
 - (c) That is insurance purchased by the Named Member to cover the Named Member's liability as a tenant for Property Damage to premises rented to the Named Member or temporarily occupied by the Named Member with permission of the owner; or
 - (d) If the Loss arises out of the maintenance or use of Aircraft, Autos or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.
- (2) Any other primary insurance or coverage available to the Named Member covering liability for damages arising out of the premises or operations for which the Named Member has been added as an additional insured or Covered Person by attachment of an endorsement.

When this coverage is excess, the Pool will have no duty under Coverages A, B, D, E or F to defend the Covered Person against any Suit if any other insurer has a duty to defend the Covered Person against that Suit. If no other insurer defends, the Pool will undertake to do so, but the Pool will be entitled to the Covered Person's rights against all those other insurers.

When this coverage is excess over other insurance, the Pool will pay only the Pool's 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; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

The Pool will share the remaining Loss, if any, with any other insurance that is not described in this Excess Coverage provision and was not bought specifically to apply in excess of the Limits of Liability shown in the CCD of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits Contribution by equal shares, the Pool will follow this method also. Under this approach each the Pool and each insurer contributes equal amounts until they have paid their applicable limit of coverage and/ or insurance, or none of the Loss remains, whichever comes first.

If any of the other insurance does not permit Contribution by equal shares, the Pool will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance or coverage to the total applicable limits of insurance and coverage of all insurers.

16. JURISDICTION AND VENUE

The validity and interpretation of this Coverage Document will be governed by the laws of the State of Texas. This Coverage Document is performable and enforceable in Travis County, Texas. The state courts in Travis County will be the sole and exclusive venue for any litigation, special proceeding, or other proceeding arising from the performance of this Coverage Document.

17. TWO OR MORE COVERAGE DOCUMENTS ISSUED BY THE POOL

If this Coverage Document and any other coverage Document issued to the Named Member by the Pool apply to the same , Occurrence, Wrongful Act or Loss the aggregate maximum limit of liability under all such coverage Documents shall not exceed the highest applicable limit of liability under any one coverage Document. This condition does not apply to any coverage Document issued by the Pool specifically to apply as excess insurance over this Coverage Document.

18. SEPARATION OF COVERED PERSONS

Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this Coverage Document to the first Named Member, this coverage applies:

- a. As if each Covered Person were the only Covered Person; and
- b. Separately to each Covered Person against whom Claim is made or Suit is brought.

19. NAMED MEMBER'S REPRESENTATIONS

By acceptance of this Coverage Document, the Named Member agrees that the Named Member's statements in the application for Coverage and renewal documents are the Named Member's agreements and representations, that this Document is issued in reliance upon the truth of such

representations and that this Coverage Document, the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the Pool's duly adopted underwriting standards and criteria embody all agreements existing between the Named Member and the Pool or any of the Pool's agents relating to this Coverage Document.

20. COMPLIANCE WITH CONDITIONS

If any Covered Person breaches any condition or warranty of this Coverage Document, there shall be no coverage, including any obligation to defend, for any Covered Person as to the particular Occurrence or action in connection with which such breach occurred.

21. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Document is void in any case of fraud by a Covered Person relating to it. It is also void if the Named Member intentionally conceals or misrepresents a material fact concerning the risks covered by this Coverage Document.

22. UNINTENTIONAL FAILURE TO DISCLOSE

It is agreed that the Named Member's failure to disclose all hazards existing as of the inception date of this Coverage Document shall not prejudice a Covered Person with respect to the coverage afforded by this Coverage Document, if such failure or omission was not intentional.

23. DEFENSE, SETTLEMENT AND ALLOCATION OF DAMAGES

- a. Subject to all of the provisions contained in this Coverage Document, the Pool has the right and duty to defend any Claim against the Member seeking Damages, even if a Claim is groundless, false or fraudulent. The Pool shall have the right to incur Claims Expenses and to make an investigation and settlement of any Claim or suit as may be deemed expedient by the Pool and the Pool may settle any Claim at its sole discretion and without the consent of the Member. The determination by the Pool as to any settlement and as to the reasonableness of settlements and Claims Expenses shall be conclusive on the Member. The Pool shall have the right, but not the obligation, to appeal any judgment adverse to the Member. Claims Expenses shall not be deducted from the Limits of Liability.
- b. The Pool shall have no obligation to pay sums the Member shall become legally liable to pay as Claims or Damages that are not covered by this Coverage Document (including amounts in excess of any applicable sublimits) or to contribute to a settlement of any such Claims or Damages. In negotiating any settlement or Claim payment, the Pool shall have the right to request the Member make an appropriate contribution for uncovered Claims or Damages. If both Damages covered by this Coverage Document and Damages not covered by this Coverage Document are incurred or are to be incurred because a Claim made against the Member or Damages sought from the Member includes both covered and uncovered matters, the Pool and the Member will use their best efforts to determine a fair and appropriate allocation of Damages between that portion of Damages that is covered under this Coverage Document and that portion of Damages

that is not covered under this Coverage Document. The Pool and the Member will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense or settlement of, the Claim. In the event the Pool and the Member cannot reach an agreement as to an allocation of Damages, then the parties will each contribute the amount proposed by the Pool until a final amount is agreed upon or determined pursuant to the provisions of this Coverage Document and applicable law.

- c. Upon written request to the Pool by Named Member for pre-Claim involvement of Pool prior to the formal existence of a Claim, the Pool has the right, but not the duty, to designate attorneys, investigators, or other persons to perform work and incur expenses on behalf of the Named Member where the Pool anticipates a Claim.
- d. If, in the sole discretion of the Pool, employing the services of attorneys, investigators, or other persons to perform work and incur expenses on behalf of any Member, or the Pool, is deemed appropriate to protect Pool interests prior to the formal existence of a Claim, the Pool has the right, but not the duty, to employ persons as a Pool operational expense.
- e. The Pool shall have the right, but not the duty, to monitor and participate in the defense of any investigatory, administrative or disciplinary proceeding relating to any Wrongful Act of the Member. Should the Pool elect to defend, monitor or participate under this provision, the election shall not constitute a waiver of any rights the Pool may have pursuant to any of the provisions of this Coverage Document.
- f. If the Pool determines that the Limits of Liability under this Coverage Document may be insufficient to pay or settle any covered Claim or Claims, or if there are multiple or competing Claims against one or more Members, the Pool may, in its sole discretion, tender the remaining Limits of Liability available under this Coverage Document, either to the treasury of the Named Member, a person authorized to receive funds for the Named Member, or the registry of a court of competent jurisdiction and exhaust the Limits of Liability under this Coverage Document. Tender by the Pool of an amount that would exhaust the Limits of Liability shall terminate: (1) the Pool's liability to pay any amounts for unincurred Claims Expenses with regard to any Claim or Claims; (2) the Pool's duties to defend any Member from any Claim or Claims; and (3) the Pool's liability to pay any amount for Damages with regard to any Claim or Claims.

SECTION V – DEFINITIONS

1. **Administration** means:

- a. Giving counsel to Employees with respect to the Named Member's Employee Benefits programs;
- b. Interpreting the Named Member's Employee Benefits programs;
- c. Handling of records in connection with the Named Member's Employee Benefits programs; or

- d. Effecting enrollment, termination or cancellation of Employees under the Named Member's Employee Benefits programs; provided that all such acts of the Covered Person are authorized by the Named Member
- 2. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about the Named Member's goods, products or services for the purpose of attracting customers or supporters.
- 3. **Aircraft** means any machine capable of flight, including but not limited to an airplane, helicopter, glider, balloon or aerial vehicle that is not controlled by a person from within or on the aerial vehicle.
- 4. **Airport Facilities** means any and all airport property including buildings and facilities for passengers and for maintenance of Aircraft.
- 5. **Auto** means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But Auto does not include Mobile Equipment
- 6. **Bodily Injury** means Bodily Injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 7. **Claim** means with respect to Coverages A, B, C, E, F and G, a demand against a Covered Person for money or services and with respect to Coverage D, any of the following that arise out of the Administration of the Named Member's Employee Benefits programs:
 - a. A demand against a Covered Person for money or services, or
 - b. the filing of a Suit or the initiation of an arbitration proceeding, naming a Covered Person, and seeking damages for any actual or alleged negligent act, negligent error, or negligent omission. More than one Claim that arises out of the same act, error, or omission, or the same series of acts, errors, or omissions, will be considered a single Claim and will be included within the earliest Claim that arose out of that act, error, or omission, or series of acts, errors, or omissions.
- 8. **Claims Expenses** means:
 - a. Fees incurred by the Pool for an attorney designated by the Pool;
 - b. All other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a Claim, if incurred by the Pool, except for those fees, costs, and expenses of the Texas Association of Counties, or expenses of a Claims adjustment contractor for the Pool;
 - c. Fees charged by any attorney designated by the Member with the written consent of the Pool, but only as to those fees incurred after receipt by Member of written consent from the Pool.
- 9. **Contribution** means the amount paid by the Named Member to the Pool for this coverage.

10. **Contribution and Coverage Declarations (CCD)** means the document that sets forth the specific indication of the coverage, limits and deductibles, Contributions and special provisions elected by each Named Member, including any modifications made by issuance of any amendatory CCD or endorsement.
11. **Coverage Document** means this agreement between the Pool and Named Member, including any endorsements.
12. **Covered Person** means any person or organization qualifying as a Covered Person in Section II – Who Is A Covered Person.
13. **Employee** means:
 - a. An officer of a Named Member;
 - b. Any natural person while in the Named Member’s service:
 - (1) While providing services on a full time, part time or temporary basis; or
 - (2) Whom the Named Member compensates directly by salary, wages or commissions; and
 - (3) Whom the Named Member has the right to direct and control while performing services for the Named Member; or
 - c. Leased Workers
14. **Employee Benefits** means group life insurance, group health insurance, profit sharing plans, pension plans, Employee stock subscription plans, Employee travel, vacation or savings plans, workers' compensation, unemployment insurance, social security and disability benefits insurance.
15. **Garage Operations** means the ownership, maintenance or use of locations for parked or stored Autos not owned by the Named Member which have been confiscated or impounded by the Named Member.
16. **Hostile Fire** means one which becomes uncontrollable or breaks out from where it was intended to be.
17. **Impaired Property** means tangible property, other than Your Product or Your Work, that cannot be used or is less useful because:
 - a. It incorporates Your Product or Your Work that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. the Named Member has failed to fulfill the terms of a contract or agreement; if such property can be restored to use by:

- (1) The repair, replacement, adjustment or removal of Your Product or Your Work; or
- (2) The Named Member's fulfilling the terms of the contract or agreement.

18. **Insured Contract** means:

- 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 to premises while rented to the Named Member or temporarily occupied by the Named Member with permission of the owner is not an Insured Contract;
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to the Named Member's business (including an indemnification of a municipality in connection with work performed for a municipality) under which the Named Member assumes the tort liability of another party to pay for Bodily Injury or Property Damage to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

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

19. **Leased Worker** means a person leased to the Named Member by a labor leasing firm under an agreement between the Named Member and the labor leasing firm, to perform duties related to the conduct of the Named Member's business.
20. **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 Auto;
 - b. While it is in or on an Aircraft, watercraft or Auto; or
 - c. While it is being moved from an Aircraft, watercraft or Auto to the place where it is finally delivered; but Loading or Unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the Aircraft, watercraft or Auto.
21. **Loss** means direct and accidental Loss or damage. For Garage keeper's Coverage only, Loss also includes any resulting loss of use.
22. **Medical Services** means:
- a. Any medical, surgical, psychiatric, psychological, dental, x-ray, nursing, therapeutic, emergency medical, or other similar services or treatments;
 - b. The prescription, dispensation or furnishing of food, beverages, drugs, therapies, or medical, dental or surgical supplies, equipment or appliances in connection therewith; or
 - c. Actions by administrative personnel, involving the hiring, credentialing, training, scheduling, discipline, firing or other supervision of persons rendering Medical Services, as described in 22. (a) and 22. (b) above.
23. **Mobile Equipment** means a vehicle that is not designated or used primarily to transport persons or property and that is only incidentally operated on a highway. The term includes but is not limited to the following:
- a. Bulldozers, farm machinery, ditch digging apparatus, well boring apparatus, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises the Named Member owns or rents. However, any land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto) owned or leased by the Named Member is deemed an Auto and not Mobile Equipment if the only reason for considering it Mobile Equipment is that it is maintained for use exclusively on streets or highways owned by the Named Member.

- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not Mobile Equipment but will be considered Autos:

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning.
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

- 24. **Named Member** means a county or other political subdivision so designated in the CCD.
- 25. **Occurrence** means an accident or offense, including continuous or repeated exposure to substantially the same general harmful conditions.
- 26. **Official** means any duly-elected or appointed Official of the Named Member, but only while that person holds the office for which he or she was elected or appointed.

27. **Personal and Advertising Injury** means injury, including consequential 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, committed 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;
 - e. Oral or written publication of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in the Named Member's Advertisement; or
 - g. Infringing upon another's copyright, trade dress or slogan in the Named Member's Advertisement.
28. **Pollutants** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
29. **Property Damage** means:
- a. Physical injury to tangible property owned by the Named Member, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the Occurrence that caused it.
30. **Suit** means a civil proceeding in which damages because of Bodily Injury, Property Damage or Personal and Advertising Injury to which this coverage applies are alleged. Suit includes:
- a. An arbitration proceeding in which such damages are claimed and to which the Covered Person must submit or does submit with the Pool consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Covered Person submits with the Pool's consent.

31. **Temporary Worker** means a person hired by the Named Member as an Employee to substitute for a permanent Employee on leave or to meet seasonal or short-term workload conditions.
32. **Volunteer** means a person who is neither an Official nor an Employee of the Named Member, but who is performing some act or service on behalf of the Named Member, at the Named Member's request, within the scope of that request, and in furtherance of the Named Member's business. Volunteer does not include independent contractors.
33. **Your Product** means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) The Named Member;
 - (2) Others trading under the Named Member's name; or
 - (3) A person or organization whose business or assets the Named Member has acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your Product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of Your Product; and
- b. The providing of or failure to provide warnings or instructions.

Your Product does not include vending machines or other property rented to or located for the use of others but not sold.

34. **Your Work** means:
- a. Work or operations performed by the Named Member or on the Named Member's behalf; and
 - b. Materials, parts or equipment furnished in connection with such work or operations.

Your Work includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of Your Work; and
- b. The providing of or failure to provide warnings or instructions.

35. **Wrongful Act** means any negligent act, negligent error or negligent omission by a Covered Person in the Administration of the Named Member's Employee Benefits programs, but only if the Covered Person was acting within the scope of authority granted by the Named Member.



TEXAS ASSOCIATION *of* COUNTIES
RISK MANAGEMENT POOL

***LAW ENFORCEMENT LIABILITY
COVERAGE DOCUMENT***

LAW ENFORCEMENT LIABILITY COVERAGE

**THIS IS A CLAIMS MADE COVERAGE DOCUMENT.
PLEASE READ THE ENTIRE COVERAGE DOCUMENT CAREFULLY.**

The Texas Association of Counties Risk Management Pool (Pool) was and is created to enable each Member to purchase coverage against liability Claims. This is not a contract of insurance, but is an agreement for liability coverage pursuant to the provisions of Chapter 119 of the Texas Local Government Code, and under Chapters 791 and 2259 of the Texas Government Code. Under this agreement, political subdivisions create and contribute to a Pool as an alternative to commercial insurance markets.

Except as may otherwise be provided, the coverage provided by this Coverage Document is limited to only those Claims THAT ARE FIRST MADE AGAINST THE MEMBER DURING THE COVERAGE DOCUMENT PERIOD AND TIMELY REPORTED TO POOL.

The Contribution and Coverage Declarations (CCD) issued to the Named Member by the Pool is part of this Coverage Document, subject to the terms, conditions, definitions, exclusions, and sublimits contained in this Coverage Document, any endorsements, and the Interlocal Participation Agreement (IPA).

Words and phrases that are capitalized have special meaning. Refer to SECTION II- DEFINITIONS

SECTION I - CLAIMS MADE COVERAGE AGREEMENT: PAYMENT AND DEFENSE

In consideration of the Member's contribution to the Pool and in reliance upon the representations made by Member in the Application and any Renewal Application for this coverage, and subject to all provisions contained in this Coverage Document, including any endorsements, the Pool agrees as follows:

A. WHAT WE WILL PAY

The Pool will pay on behalf of the Member, subject to all provisions contained in this Coverage Document, including Section I.B., below, any sums which the Member shall become legally obligated to pay as Damages or Claims Expenses by reason of errors, omissions or negligent acts stated in a Claim, which arise out of the conduct of Law Enforcement Activities of Member and result in:

Personal Injury;
Bodily Injury;
Property Damage; or
Violation of Civil Rights

PROVIDED ALWAYS that the following are true:

1. Notice of Claim occurs during the Coverage Document Period;
2. Notice is provided by the Member to the Pool during the Coverage Document Period (or during the Optional Extended Reporting Period, if applicable);
3. The error, omission or negligent act for which Claim is first made happened during the Coverage Document Period or on or after the retroactive date in the CCD; provided, however that if the Wrongful

Act happened before the Coverage Document Period, the Named Member did not give notice to any prior insurer or coverage provider; and

4. The Member had no knowledge or reason to believe at the inception of the Coverage Document Period or any extensions or renewals that any error, omission or negligent act was likely to result in a Claim being made against any Member.

B. DEFENSE, SETTLEMENT AND ALLOCATION OF DAMAGES

1. Subject to all of the provisions contained in this Coverage Document, including Sections I.B.4 and I.B.5, the Pool has the right and duty to defend any Claim arising out of the categories of conduct enumerated above brought against the Member, alleging an error, omission or negligent act and seeking Damages, even if a Claim is groundless, false or fraudulent. The Pool shall have the right to incur Claims Expenses and to make an investigation and settlement of any Claim or suit as may be deemed expedient by the Pool and the Pool may settle any Claim at its sole discretion and without the consent of the Member. The determination by the Pool as to any settlement and as to the reasonableness of settlements and Claims Expenses shall be conclusive on the Member. The Pool shall have the right, but not the obligation, to appeal any judgment adverse to the Member.
2. The Pool shall have no obligation to pay sums the Member shall become legally liable to pay as Claims or Damages that are not covered by this Coverage Document (including amounts in excess of any applicable sublimits) or to contribute to a settlement of any such Claims or Damages. In negotiating any settlement or Claim payment, the Pool shall have the right to request the Member make an appropriate contribution for uncovered Claims or Damages. If both Damages covered by this Coverage Document and Damages not covered by this Coverage Document are incurred or are to be incurred because a Claim made against the Member or Damages sought from the Member includes both covered and uncovered matters, the Pool and the Member will use their best efforts to determine a fair and appropriate allocation of Damages between that portion of Damages that is covered under this Coverage Document and that portion of Damages that is not covered under this Coverage Document. The Pool and the Member will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense or settlement of, the Claim. In the event the Pool and the Member cannot reach an agreement as to an allocation of Damages, then the parties will each contribute the amount proposed by the Pool until a final amount is agreed upon or determined pursuant to the provisions of this Coverage Document and applicable law.
3.
 - a. Upon written request to the Pool by Named Member for pre-Claim involvement of Pool prior to the formal existence of a Claim, the Pool has the right, but not the duty, to designate attorneys, investigators, or other persons to perform work and incur expenses on behalf of the Named Member where the Pool anticipates a Claim.
 - b. If, in the sole discretion of the Pool, employing the services of attorneys, investigators, or other persons to perform work and incur expenses on behalf of any Member or the Pool is deemed appropriate to protect Pool interests prior to the formal existence of a Claim, the Pool has the right, but not the duty, to employ persons as a Pool operational expense.
4. The Pool shall have the right, but not the duty, to monitor and participate in the defense of any investigatory, administrative or disciplinary proceeding relating to any Law Enforcement Activity of the

Member. Should the Pool elect to defend, monitor or participate under this provision, this election shall not constitute a waiver of any rights the Pool may have pursuant to any of the provisions of this Coverage Document.

5. If the Pool determines that the Limits of Liability under this Coverage Document may be insufficient to pay or settle any covered Claim or Claims, or if there are multiple or competing Claims against one or more Members, the Pool may, in its sole discretion, tender the remaining Limits of Liability available under this Coverage Document, either to the treasury of the Named Member, a person authorized to receive funds for the Named Member, or the registry of a court of competent jurisdiction and exhaust the Limits of Liability under this Coverage Document. Tender by the Pool of an amount that would exhaust either the Limits of Liability or the Aggregate shall terminate: (1) the Pool's liability to pay any amounts for unincurred Claims Expenses with regard to any Claim or Claims; (2) the Pool's duties to defend any Member from any Claim or Claims; and (3) the Pool's liability to pay any amount for Damages with regard to any Claim or Claims.
6. Exhaustion of the amount designated as Aggregate in the CCD terminates: (1) the Pool's duties to defend any Member in connection with any Claims made against Member after the exhaustion of the Aggregate; and (2) the Pool's liability to pay any amounts for Claims Expenses or Damages for any Claims or Claims.
7. The Pool will provide, subject to the other provisions of the Coverage Document, a defense to a fraud, dishonesty, or malicious or criminal act or omission Claim against a Member that is excluded under Section IV.A.2; provided, however that the Pool's obligation is limited to the defense of the Named Member or any Member not identified as the perpetrator of the fraud, dishonesty, or malicious or criminal act or omission. The Pool has no duty to indemnify any Member for sums the Member becomes legally obligated to pay as Damages if the Member consented to or had knowledge of the fraud, dishonesty, or malicious or criminal acts or omissions. All Claims against a Member identified as the perpetrator of the fraud, dishonesty, or malicious or criminal act or omission subject to Section IV.A.2 for Damages arising from the fraud, dishonesty, or malicious or criminal acts or omissions are specifically excluded from coverage.
8. Claims Expenses shall not be deducted from the Limits of Liability.

SECTION II - DEFINITIONS

- A. **Aircraft** means any machine capable of flight, including an airplane, helicopter, glider, balloon or aerial vehicle that is not controlled by a person from within or on the aerial vehicle.
- B. **Aggregate** means the Pool's total liability for Damages resulting from all Claims first made against the Members during the Coverage Document Period and shall not exceed the amount stated in the CCD as Aggregate regardless of the time when the Claim is paid. If the Member exercises the right to purchase the Optional Extension Coverage, the Aggregate limit for the Optional Extended Reporting Period shall be no more than that which remains of the Aggregate limit from the immediately preceding Coverage Document Period.
- C. **Bodily Injury** means physical injury to any person (including death) and mental anguish associated with or arising from a physical injury.

- D. **Civil Rights** means a person's rights under the United States constitution or any state constitution, or laws affording a right of action for Damages by reason of invasion of a Civil Right or liberty.
- E. **Claim** means a demand received by the Member specifically for money Damages, including punitive or exemplary Damages, against the Member.

Claims based on or arising out of the same error, omission, or negligent act or interrelated errors, omissions or negligent acts, involving one or more of the Members, shall be considered a single Claim, and a Claim so considered shall be deemed to have been made solely during the one Coverage Document Period which includes the time the Claim is initially made.

F. **Claims Expenses** means:

1. Fees incurred by the Pool for an attorney designated by the Pool;
2. All other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a Claim, if incurred by the Pool, except for those fees, costs, and expenses of the employees of the Texas Association of Counties, or expenses of a Claims adjustment contractor for the Pool;
3. Fees charged by any attorney designated by the Member with the written consent of the Pool, but only as to those fees incurred after receipt by Member of written consent from the Pool; and
4. Expenses incurred where the Pool, in accordance with Section I.B.3.a. of this Coverage Document, responds to a written request by Named Member for pre-Claim involvement of the Pool prior to the formal existence of a Claim to perform work and incur expenses on behalf of the Named Member.

- G. **Contribution and Coverage Declarations (CCD)** means the document that sets forth the specific indication of the coverage, limits and deductibles, Contributions and special provisions elected by each Member, including any modifications made by issuance of any amendatory CCD or endorsement.
- H. **Coverage Document** means this agreement between the Pool and Member, including any endorsements.
- I. **Coverage Document Period** means that one-year period designated in the CCD, unless otherwise specified, or the period as shortened by termination, if any.

If the Optional Extended Reporting Period coverage is purchased by the Member, it shall in no way increase the Coverage Document Period or any renewal, except that any Optional Extended Reporting Period shall be included in the previous Coverage Document Period for purposes of application of the Aggregate limit of the Pool's liability.

- J. **Damages** means actual and compensatory money Damages only, including punitive damages, arising out of an error, omission or negligent act of Member, and does not include;
1. Penalties, fines, restitution of any kind or sanctions;

2. Attorney's fees and any costs, charges, fees or expenses of litigation if any are demanded from Member without an accompanying demand for other relief which would constitute Damages, or that portion of any attorney's fees and any costs, charges, fees or expenses of litigation demanded from Member which may be attributed or allocated to a Claim or any part of a Claim excluded under this Coverage Document (including any part of a Claim that exceeds a sublimit imposed under this Coverage Document), to any demand for relief other than for actual or compensatory Damages, or to any demand or matter not covered under this Coverage Document.
- K. **Effective Date** means the date the Coverage Document becomes effective in a Coverage Document Period. The Effective Date of any renewal of this Coverage Document shall be considered the Effective Date of a new Coverage Document Period.
- L. **Law Enforcement Activity** means all activities performed within the scope of the official duties of the law enforcement officers, public employees, public officials, and volunteers of each Law Enforcement Department or Agency set forth in the CCD.
- M. **Limits of Liability** the Limits of Liability of the Pool for payment of Damages shall be the applicable Limit shown in the CCD under Limits of Liability.
- N. **Member** means only the following:
1. The Named Member;
 2. Each Law Enforcement Department or Agency named in the CCD and which is duly constituted and operating under the jurisdiction of the Named Member;
 3. The individual law enforcement officers or other employees or volunteers of each Law Enforcement Department or Agency set forth in the CCD as are regularly employed or officially engaged in Law Enforcement Activities for the Department or Agency.
 4. Other public officials, employees and volunteers of Named Member, excluding the District Attorney or the District Judge, but only with respect to a Claim or Claims arising out of errors, omissions or negligent acts of:
 - a. The Law Enforcement Departments or Agencies named in the CCD and only with respect to the activities of these persons while in furtherance of the Law Enforcement Activities of the Named Member; or
 - b. Public officials of the Named Member in the making of the decisions concerning the budgeting or other provision of county funds for the conduct of activities of Law Enforcement Departments or Agencies named in the CCD.
 5. The Juvenile Board, but only if the Juvenile Board serves only the Named Member's county. If the Juvenile Board serves more than one county, the Juvenile Board is a Member only if each county represented on the Juvenile Board is a Member of the Pool. The individuals serving on the Juvenile Board are Members only if they are officials or employees or volunteers of the Named Member.

- O. **Named Member** means a county or other political subdivision so designated in the CCD.
- P. **Notice of Claim** means one of the following, whichever occurs first:
1. For a lawsuit against the Member, notice of the suit by service of process or otherwise; or
 2. The Member obtains or receives knowledge or reason to believe that any error, omission or negligent act may reasonably be expected to result in a Claim.
- Q. **Optional Extension Coverage** means the optional coverage that may be purchased if the Pool, or the Named Member, cancels or refuses to renew this Coverage Document, subject to the conditions as set forth in Section VI of this Coverage Document.
- R. **Optional Extended Reporting Period** means the period for which the Named Member elects to purchase Optional Extension Coverage.
- S. **Personal Injury** means:
1. False arrest, false imprisonment, wrongful detention, wrongful eviction, wrongful entry or other invasion of the right of private occupancy, or malicious prosecution;
 2. Wrongful or improper service of process; and
 3. Libel, slander, defamation of character, or violation of an individual's right of privacy.
- T. **Pool** means the Texas Association of Counties Risk Management Pool.
- U. **Property Damage** means:
1. Physical injury to or destruction of tangible property, including the loss of use; or
 2. Loss of use of tangible property which has not been physically injured or destroyed;
- excluding effects on any real or personal property, whether direct or indirect or consequential, which do not constitute physical injury, destruction or loss of use of property.

SECTION III – LIMITS OF LIABILITY

The following Limits of Liability apply unless otherwise stated on the CCD.

A. LIMITS OF LIABILITY

Regardless of the number of:

1. Members involved in a Claim,
2. Persons or entities who sustain Damages, or

3. Claims made,

Exhaustion of the Limits of Liability shown in the CCD shall terminate the Pool's liability to pay any Damages or Claims Expenses. The Pool shall never be required to pay Damages in excess of the applicable Limits of Liability shown in the CCD in connection with any Claim or Claims.

Claims based on or arising out of the same or related acts, errors, omissions or events involving one or more Members shall be considered a single Claim and only one deductible and one Limits of Liability shall be applicable to the Claim. If Member has, or is a beneficiary of, other Coverage Documents through the Pool, the Pool shall not be required to pay an amount in excess of the appropriate Limits of Liability shown in the CCD in connection with any Claim. The Pool and the Named Member agree that Pool coverage does not combine with respect to payment of Damages or Claims Expenses.

The Pool's total liability for Damages for all Claims during any one Coverage Document Period shall never exceed the Aggregate stated in, Limits of Liability, of the CCD.

Tender by the Pool of an amount that would exhaust either the Limits of Liability for any Claim or the Aggregate Limits of Liability applicable to all Claims to the treasury of the Named Member, a person authorized to receive funds for the Named Member, or the registry of a court of competent jurisdiction, shall terminate the Pool's liability to pay any amounts for Damages or Claims Expenses with regard to the Claim or Claims.

B. SUPPLEMENTARY PAYMENTS

The Pool will pay, in addition to the applicable Claims Expenses and the Limits of Liability, as shown in CCD:

1. Expenses incurred by the Texas Association of Counties employees, or Claims adjustment contractors in the monitoring and supervision of Claims;
2. Interest, but only on that portion of any judgment which does not exceed the Pool's Limits of Liability, which accrues after entry of the judgment and before the Pool has paid or tendered or deposited into the court registry that portion of the judgment which is the Pool's liability;
3. Up to \$250 per bond premium on appeal bonds in any suit defended by the Pool and up to \$250 premium on bonds to release attachments in any suit, for an amount not in excess of the Limits of Liability. However, in accordance with its discretionary right to appeal, the Pool shall have the right, but not the obligation, to apply for or furnish any appeal bond.

C. DEDUCTIBLE

The Pool will pay only those Damages and Claims Expenses, with regard to a Claim, which are in excess of the Deductible amounts stated in the CCD. The Deductible amount stated in the CCD shall be borne by Named Member and shall not be borne by the Pool. The Named Member is wholly responsible for paying the entire Deductible shown in the CCD. A Member, other than the Named Member, has no personal responsibility for paying any portion of the Deductible, and is fully covered for the amount of any liability not in excess of \$100,000, as referenced in Texas Civil Practices and Remedies Code Section 108.002.

At the option and discretion of the Pool, the Pool may pay all or part of the Deductible amount to effect settlement, and, upon notification to the Named Member, Named Member shall promptly reimburse the Pool for all expenditures. If the Pool pays any Claims Expenses which fall within the Deductible amount stated in the CCD, the Named Member, upon notification, shall promptly reimburse the Pool for all expenditures.

The Deductible amount stated in the CCD shall be applicable to each Claim and request for pre-Claim assistance under Section I.B.2.a involving each Member and shall include payments for Damages and Claims Expenses.

D. SUBLIMITS

1. Declarations or orders by Governmental Authority. The Limits of Liability are inclusive of a Claim arising out of, in whole or in part, directly or indirectly, against a Member for declarations or orders of disaster or emergency which includes but not limited to: pandemic, communicable disease, and natural disasters subject to a sublimit not to exceed \$50,000 per Claim and a \$500,000 annual Aggregate.

SECTION IV - EXCLUSIONS

A. THIS COVERAGE DOCUMENT DOES NOT APPLY TO:

Claims arising out of, in whole or in part, directly or indirectly, or arising in concurrent cause with the following:

1. The ownership, operation, management, use, control, repair, maintenance, demonstration, loading or unloading, or entrustment to others of any motor vehicles of any kind, Aircraft, watercraft, or any motor driven equipment, and any policies, practices, customs, usages or procedures related to the above.
2. Fraud, dishonesty, or malicious or criminal act or omission of any Member who committed, consented to, or had knowledge of the fraud, dishonesty, or malicious or criminal act or omission. This exclusion does not apply to an act that is an element of a Claim of malicious prosecution. The Pool will provide a defense under the terms of this Coverage Document in any Claim or lawsuit arising or resulting from fraud or dishonesty or any malicious or criminal act by a Member performing a Law Enforcement Activity, who is not identified as the perpetrator of the fraud, dishonesty, or malicious or criminal act and is sued in his or her official capacity only. This exclusion does not apply to a Claim against a Member that seeks to impose personal liability on the Member for actions he or she takes under color of state law.
3. Unfair, discriminatory or unlawful practices relating to employment or to applicants for employment, trainees or volunteers; any errors, omissions or negligent acts relating to employment, including the processes of hiring and firing and the provision of wages and benefits; any work-related Bodily Injury of a Member for which a Claim for Workers' Compensation could be made.
4. Continuous or repeated exposure to the same or similar conditions in which any exposure existed or happened before the Coverage Document Period or the retroactive date set forth in the CCD, if any.

5. Any interference with or violation of property rights or a reduction or loss in the value of real or personal property other than Property Damage; inverse condemnation, takings as understood under any law, adverse possession, dedication by adverse use or nuisance; or the intentional, negligent or accidental discharge, disbursal, release or escape of pollutants, or potential pollutants including smoke, vapors, soot, fumes, acids, alkalis, toxins, pathogens, chemicals, particulates, fibers, radioactivity or radiation, whether thermal, thermonuclear or otherwise, solids, liquids or gases, waste materials or irritants, contaminants, or other pollutants or potential pollutants of any kind into or upon land, any area below ground, air, the atmosphere, or water; nor to demands or actions arising from any governmental direction or request that the Member test for, monitor, clean up, remove, contain, analyze, examine, treat, detoxify or neutralize pollutants or potential pollutants. Except that tear gas, mace or similar substances are not considered pollutants or potential pollutants when used or handled in the performance of a Law Enforcement Activity.
6. Any premise defect on the real property of Member or on real property under the control of Member.
7. The performance or non-performance of judicial acts or judicial duties; nor to the performance or non-performance of prosecutorial acts or prosecutorial duties.

B. THIS COVERAGE DOCUMENT ALSO DOES NOT APPLY TO:

1. Any Claim which alleges, involves or arises from any liabilities, responsibilities, duties or activities assumed, undertaken or accepted by any Member pursuant to any contract or agreement whether written, oral, or implied. This exclusion does not apply to Claims brought against a Member that are otherwise covered under this Coverage Document that arise from the Law Enforcement Activities of an employee of the Named Member pursuant to a mutual law enforcement assistance agreement, so long as the employee has been assigned to perform the activities as part of his or her employment with the Named Member.

For the purposes of this Section, **Employee** means an individual who: (1) is deputized *or* appointed by either the governing body *or* an elected official of the Named Member; (2) is paid a salary by the Named Member; and (3) is entitled to receive as compensation from the Named Member the same benefits afforded to other employees of the Named Member. This Section does not provide coverage to any individual who is not an employee of the Named Member as defined in this Section.

This Coverage Document does not provide coverage to any entity other than the Named Member. Coverage is not provided for any entity that is created by a mutual law enforcement assistance agreement to which the Named Member is a party. Coverage is not provided to any other entity that enters into a mutual law enforcement assistance agreement with the Named Member. The terms of a mutual law enforcement assistance agreement do not become a part of this Coverage Document.

2. Any act, service, or duty for which an individual Member is being compensated or otherwise engaged other than by a Law Enforcement Department or Agency or other Agency named in the CCD. Except that a Claim arising out of performance of a Law Enforcement Activity performed by Member during a period of time for which the Member receives compensation from other than Named Member is not excluded if: (a) performance of the Law Enforcement Activity is undertaken on behalf of the Named Member; and (b) the Law Enforcement Activity and compensation are authorized by Named Member;

3. Any Claim for the return of money or other property seized, held, auctioned or sold by Member, including any forfeited money or other property or for the value of the money or other property;
4. Demands or actions seeking equitable relief, or redress in any form other than money Damages; actions or demands for costs, charges, attorney's fees or other fees or expenses in relation to any action, suit or proceeding seeking relief or redress in any form other than money Damages; or any investigatory, administrative, disciplinary, or criminal proceeding against a Member;
5. Any Claim by or through any Member against another Member, either individually or collectively; any Claim by any public official on behalf of a Member against any Member; any Claim by any public official or any governmental department or agency against any Member; any Claim by a volunteer engaged in activities for any Member against any Member; or any Claim which alleges or involves Property Damage to property of any Member or to property of any employee, Official, agent or Volunteer of the Member arising out of or in the course of activity with or employment by the Member, including loss of use of property. For the purpose of this exclusion, the term Member includes an individual who was a Member at the time the Claim arose.
6. Any medical malpractice Claim, including a health care liability Claim as defined in Section 74.001 of the Texas Civil Practice & Remedies Code, against a physician, physician's assistant or other health care provider.

C. PRIVACY OR SECURITY EVENT LIABILITY AND EXPENSE COVERAGE EXCLUSION

1. This Coverage Document does not provide coverage for any liability, loss, penalty or expense arising directly or indirectly from any Privacy or Security Event.
2. For purposes of this exclusion the following definitions apply:

Computer System means computers and associated input and output devices, data storage devices, networking equipment and backup facilities:

- a. Operated by and either owned by or leased to any Member; or
- b. Operated by a third party service provider and used to provide hosted computer application services to the Member or for processing, maintaining, hosting or storing the Member's electronic data pursuant to a written contract with the Member for such services.

Personal Information means an individual's name in combination with one or more of the following:

- a. Information concerning the individual that constitutes "nonpublic personal information" as defined in the Gramm-Leach Bliley Act of 1999, as amended, and implementing regulations;
- b. Medical or health care information concerning the individual, including without limitation protected health information as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and implementing regulations;

- c. The individual's Social Security number, driver's license or state identification number, credit, debit, or other financial account numbers and associated security codes, access codes, passwords or personal identification numbers that allow access to the individual's financial account information; or
- d. Other nonpublic personally identifiable information, as protected under any local, state, federal or foreign law;

Provided, however, Personal Information does not include information that is lawfully available to the public, including without limitation information lawfully available from any Member or any local, state, federal or foreign governmental entity.

Privacy or Security Event means:

- a. The actual or reasonably suspected theft, Loss or unauthorized disclosure of or access to Personal Information in the care, custody or control of the Named Member or Covered Person or for which the Named Member or Covered Person is legally responsible, regardless of whether such Personal Information is maintained in electronic, paper or any other format; or
- b. A violation or failure of the security of a Computer System, including but not limited to unauthorized access, unauthorized use, a denial of service attack or receipt or transmission of malicious code.

SECTION V – CONDITIONS

A. COMPLIANCE WITH CONDITIONS

If any Member materially breaches any warranty or materially fails to satisfy any condition of this Coverage Document, whether or not the Pool is actually prejudiced, there shall be no coverage, including any obligation to defend, for any Member as to the particular Claim or action in connection with which the breach occurred.

B. CCD

The CCD issued by Pool for any Coverage Document Period constitutes terms and conditions for that Coverage Document Period, and constitutes part of the Coverage Document for the Coverage Document Period. In the case of an extension of coverage, the CCD may be issued in the form of an extension endorsement.

C. DELIVERY OF THIS COVERAGE DOCUMENT

Delivery of this Coverage Document to the Named Member shall be considered delivery to each Member and the Named Member is authorized by each Member to accept delivery on the Member's behalf.

D. APPLICATION FOR COVERAGE

The Application and any Renewal Application for this coverage submitted to the Pool, which is signed by the Named Member or its authorized representative, is part of this Coverage Document for purposes of reliance by the Pool on information contained in the Application. Any substantial mistake or misrepresentation in an Application for coverage which is relied upon by the Pool terminates all the obligations of the Pool under this Coverage Document, including those of payment and defense. The Pool may, at its sole option, elect to waive termination of any part of its obligations.

E. ASSISTANCE AND COOPERATION OF THE MEMBER.

1. The Member shall, without charge to the Pool, provide and assist and cooperate with the Pool in obtaining (whether by discovery in pending litigation against the Member or otherwise) truthful and accurate information pertaining to a Claim and Damages, including information bearing on the existence or nonexistence of coverage for the Claim or Damages under this Coverage Document, and for these purposes shall (a) upon the request of the Pool, or its authorized representative, submit to examination under oath by a representative of the Pool, (b) attend and participate in hearings, (c) attend and testify truthfully in depositions and trials, and (d) assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses in the conduct of suits, in giving accurate and truthful written statements to the Pool's representatives and meeting with the Pool's representatives for the purposes of investigation and defense and for determining whether the Claim or Damages are covered under this Coverage Document.
2. The Member shall not, except at its own cost, make any payment, assume or admit any liability, waive any defense or settle any Claim or action or incur any expense, without the prior written consent of the Pool. Any liabilities admitted, assumed or settled, defenses waived or any payments made, or expenses, including legal expenses, incurred by Member, without prior written consent of the Pool, shall be the sole obligation of the Member.
3. Further, the Member shall not demand, or agree to, arbitration or mediation of any Claim made against the Member without prior written consent of the Pool.
4. Each Member agrees to cooperate with the Pool in the prosecution of Claims, suits, indemnity actions, cross-claims, and counterclaims as the Pool, in its sole discretion, shall deem to be appropriate with respect to any Claim or suit brought against any Member and each Member agrees to execute papers as are required to be executed in the defense of any action against any Member, or with respect to the prosecution of Claims, suits, indemnity actions, cross-claims, and counterclaims.
5. The Named Member is authorized by each Member to give and receive all notices to and from the Pool on the Member's behalf.

F. NOTICE TO THE POOL

As a condition precedent under this Coverage Document, the Member shall:

1. Promptly and as soon as reasonably practicable report to the Pool all events or occurrences that could reasonably be expected to result in the Pool being required to consider a Claim against Member,

together with information concerning any particulars known by Members and including any reasonably obtainable information with respect to persons, events, locations and dates involved;

2. Immediately upon receipt of a Claim or Notice of Claim by Member, and during the Coverage Document Period, provide the Pool written notice of any Claim or Notice of Claim made against the Member together with information concerning any particulars known by Members and including any reasonably obtainable information with respect to persons, events, locations and dates involved;
3. If suit is brought against a Member, immediately forward to the Pool any demand, notice, summons or other process received directly or indirectly by the Member or by the Member's representative, along with a precise statement to the Pool of when the demand, notice, summons or other process was received, and by whom it was received;
4. Where conditions precedent in this paragraph require that notice be given to the Pool, immediately render the notice or report to the person or agent specifically designated by the Pool as authorized to receive notice for the Pool. The Pool and the Named Member expressly agree that only notice delivered to an authorized recipient for the Pool can satisfy any notice requirement.

G. ACTION AGAINST THE POOL.

1. No legal action may be brought against the Pool unless there has been full compliance with all terms of this Coverage Document. In addition, no action may be brought against the Pool in regard to any matter involving a Claim or suit or proceeding involving this Coverage Document until the amount of the Member's obligation with respect to the pertinent Claim or suit or proceeding has been finally established either by: (a) final judgment against the Member by the court of last resort after actual trial of the issues and appeal has been determined, or if the time to appeal has expired without an appeal having been taken; or (b) by written agreement of the Member, the Claimant and the Pool.
2. Nothing contained in this Coverage Document shall give the Member or any person, firm, corporation or organization other than the Pool, any right to join the Pool as a party in any action or proceeding against the Member to determine the Member's liability.
3. Any action against the Pool by the Member or any other person must be brought within two years and one day after the cause of action accrues.

H. SUBROGATION

If the Pool makes any payment under this Coverage Document, the Pool shall be subrogated to all of the Member's rights of indemnity or recovery, against any individual, firm, corporation, organization, or any other person. The Member shall execute and deliver instruments and papers and do whatever else shall be reasonably requested to advance the Pool's pursuit of its subrogation rights, and Members shall do nothing after any Claim is made to prejudice the Pool's rights. The Pool shall be entitled to take over and conduct, in the name of the Member, for the Pool's own benefit, any Claim to which the Pool is subrogated against any third party. The Pool may pursue or settle any Claim for its own benefit at its sole discretion.

I. CANCELLATION OR NON-RENEWAL

1. Either party to this Coverage Document may cancel or non-renew this Document by giving notice of such intent to the other party. The notice must be in writing and must be delivered by certified mail, return receipt requested via U.S. Mail to the other party. Except for notice of cancellation or non-renewal by the Pool for nonpayment of Contributions, such notice must be given not less than 60 days prior to the effective date of cancellation.
2. The Pool may, in the Pool's sole discretion, permit the Named Member, upon the Named Member's written request, to terminate this Coverage Document by giving the Pool not less than 30 days' notice.
3. Notice of cancellation by the Named Member must be addressed to:

Texas Association of Counties Risk Management Pool
Attn: Member Services
P.O. Box 2131
Austin, Texas 78768-2131
4. The Pool may cancel or non-renew this Coverage Document:
 - a. For nonpayment of Contributions, unless other provision for payment has been made by express written agreement between the Named Member and the Pool;
 - b. If there is an increase in risk or hazard within the Named Member's control which would result in an increase in the rate or amount of Contribution;
 - c. For fraud in the obtaining of coverage;
 - d. If the Pool is placed in supervision, conservatorship, receivership and the cancellation is approved or directed by the supervisor, conservator or receiver;
 - e. If the Named Member does not implement risk management techniques required by the Pool during the initial Coverage Document Period, or if risk management techniques do not result in the Named Member's attaining a risk level sufficient to meet the Pool's underwriting criteria during the initial coverage period;
 - f. If the Interlocal Participation Agreement between the parties is terminated or the Named Member withdraws or is expelled from the Pool; or
 - g. For the Named Member's violation of any of the Named Member's other obligations under the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.
5. If the Pool cancels this Coverage Document for nonpayment of Contributions the cancellation shall be effective at 12:01 a.m. on the 10th day following the Pool's placement of the notice of cancellation in

the U.S. Mail. These Conditions do not waive or alter any other applicable provisions of the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.

6. Notice of cancellation by the Pool may be given to the county judge or presiding officer of the Named Member at the Named Member's address shown in the CCD.

J. RETAINED CONTRIBUTION PROPORTIONS

1. If this Coverage Document is terminated by the Named Member, the Pool shall retain the customary short rate proportion of the contribution.
2. If this Coverage Document is terminated by or on behalf of the Pool, the Pool shall retain the customary pro-rata proportion of the contribution.

K. CERTAIN MODIFIED TERMS

An increase in contribution or deductible, or a reduction in Limits of Liability or Aggregate, or addition of endorsements to this Coverage Document, does not constitute a termination or refusal to renew this Coverage Document.

L. CHANGES

This Coverage Document, the CCD, the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the Pool's duly-adopted underwriting standards and criteria constitute the agreements between the Named Member and the Pool concerning the coverage afforded. The Pool may make changes to this Coverage Document, as permitted by the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the laws governing the creation and operation of the Pool. This Coverage Document's terms cannot be amended or waived without the written authorization of the Pool. Any changes to the Pool's Bylaws, the Interlocal Participation Agreement between the Pool and the Named Member, or the Pool's underwriting standards or criteria are incorporated.

M. LIBERALIZATION

If the Pool changes this Coverage Document to provide more coverage without additional premium charge, the additional coverage will be effective as of the day indicated in the Pool's written notice of change to the Named Member.

N. WAIVER

Notice to any agent or knowledge possessed by any agent or by any other person of any fact, condition or other matter which might constitute grounds for denial of coverage shall not effect a waiver or a change in any part of this Coverage Document or estop the Pool from asserting any rights, including a right to deny coverage, under this Coverage Document. The terms of this Coverage Document may not be waived or changed except by a written endorsement issued by the Pool.

O. ASSIGNMENT

Assignment of any interest under this Coverage Document shall not bind the Pool without its prior written consent.

P. OTHER COVERAGE OR INSURANCE

If there is or may be other coverage or insurance against any incident, loss or Claim for which coverage is afforded under this Coverage Document, the coverage provided under this Coverage Document shall be deemed to be excess over any valid and collectible coverage or insurance available to any Member against whom a Claim is made. Members shall respond promptly to any reasonable inquiries from the Pool concerning other coverage or insurance that may be afforded to the Member or certain Members.

However, coverage will not be extended under this Coverage Document for any Claim for which a Member has or had occurrence-based coverage or insurance in place at the time of the Wrongful Act or occurrence resulting in any Claim.

Q. JURISDICTION AND VENUE

The validity and interpretation of this Coverage Document will be governed by the laws of the State of Texas. This Coverage Document is performable and enforceable in Travis County, Texas. The state courts in Travis County will be the sole and exclusive venue for any litigation, special proceeding, or other proceeding arising from the performance of this Coverage Document.

R. ENTIRE AGREEMENT

The Coverage Document, the Pool's Bylaws and Plan of Operation and the Interlocal Participation Agreement between the Pool and the Named Member together constitute the entire coverage agreement and this agreement cannot be modified except as agreed in writing.

S. PAYMENT

Payment of contribution to Pool by Named Member, as consideration for this agreement, shall be made as set forth in the CCD.

T. TWO OR MORE COVERAGE DOCUMENTS ISSUED BY THE POOL

If this Coverage Document and any other coverage document issued to the Named Member by the Pool apply to the same Claim, the aggregate maximum limit of liability under all coverage documents shall not exceed the highest applicable limit of liability under any one coverage document. This condition does not apply to any coverage document issued by the Pool specifically to apply as excess coverage over this Coverage Document.

U. EXAMINATION OF THE NAMED MEMBER'S BOOKS AND RECORDS

The Pool may examine and audit the Named Member's books and records as they relate to this Coverage Document or as may be required for the administration of the Pool.

V. INSPECTIONS AND LOSS CONTROL

The Pool has the right but is not obligated to:

1. Make inspections and surveys at any time;
2. Make risk management appraisals of the Named Member's operations, policies, procedures, vehicles, personnel and facilities;
3. Require the Named Member to implement and follow risk management procedures or techniques established by the Pool to reduce risk sufficient to meet the Pool's underwriting criteria. Any inspections, surveys, reports or requirements relate only to the Named Member's eligibility for liability coverage and the Contribution to be charged. The Pool does not make safety inspections. The Pool does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, nor does the Pool warrant that conditions are safe or healthful or comply with laws, regulations, codes or standards.

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

SECTION VI - EXTENDED REPORTING PERIOD

- A. If the Pool terminates or refuses to renew this Coverage Document for reasons other than the Named Member's non-payment of contributions or deductibles or non-compliance with the terms and conditions of this Coverage Document, or if the Named Member terminates or refuses to renew this Coverage Document, the Named Member, upon payment of an additional contribution as set forth below, shall have the option to extend the Claims made coverage afforded by this Coverage Document to apply to Claims first made against the Named Member during the 12 or 24 month period immediately following the Effective Date of the termination. An Optional Extended Reporting Period is limited to and shall only be effective for purposes of any error, omission or negligent act committed before the date on which the Optional Extended Reporting Period began and after the retroactive date set forth in the CCD, if any, subject to the terms, conditions, definitions, Limits of Liability, exclusions and deductible provisions of the Coverage Document in effect on the date the Optional Extended Reporting Period is exercised.
- B. An increase in contribution or deductible, or reduction in Limits of Liability or Aggregate, does not constitute a termination or refusal to renew this Coverage Document that would trigger an option to elect an Optional Reporting Period.
- C. The extension of coverage for Claims made and reported subsequent to termination of the Coverage Document shall be endorsed, if purchased, and shall be referred to in this Coverage Document as the Optional Extended Reporting Period. Individual Claims made and reported during any Optional Extended Reporting Period shall be deemed to have occurred during the most recent Coverage Document Period and all terms of the Coverage Document shall apply.

- D. The contribution for the Optional Extended Reporting Period elected by the Named Member shall be:
1. For a 12 month Optional Extended Reporting Period: 100 percent of the full annual contribution for coverage under this Coverage Document;
 2. For a 24 month Optional Extended Reporting Period: 150 percent of the full annual contribution for coverage under this Coverage Document.
- E. As a condition precedent to the Named Member's right to purchase the Optional Extended Reporting Period coverage, the Named Member must tender payment of all contributions and any unpaid deductibles due for the preceding period of coverage. The Named Member's right to purchase the Optional Extended Reporting Period coverage must be exercised by notice in writing and tendering of the contribution due not later than 10 days after the termination of this Coverage Document. If notice and contributions are not timely and properly made to the Pool, the Named Member shall not at a later date have any right to elect an Optional Extended Reporting Period.
- F. At the beginning of any Optional Extended Reporting Period, the entire contribution shall be deemed earned, and if the Named Member terminates the Optional Extended Reporting Period before the expiration of its full term for any reason, the Pool shall not be liable to return to the Named Member any portion of the contribution for the Optional Extended Reporting Period.



TEXAS ASSOCIATION *of* COUNTIES
RISK MANAGEMENT POOL

**PUBLIC OFFICIALS LIABILITY
COVERAGE DOCUMENT**

PUBLIC OFFICIALS LIABILITY COVERAGE

THIS IS A CLAIMS MADE COVERAGE DOCUMENT. PLEASE READ THE ENTIRE COVERAGE DOCUMENT CAREFULLY.

The Texas Association of Counties Risk Management Pool (Pool) was and is created to enable Members to purchase coverage against liability Claims. This is not a contract of insurance, but is an agreement for liability coverage pursuant to the provisions of Chapter 119 of the Texas Local Government Code, and under Chapters 791 and 2259 of the Texas Government Code. Under this agreement, political subdivisions create and contribute to a pool as an alternative to commercial insurance markets.

Except to the extent as may otherwise be provided herein, the coverage of this Coverage Document is limited to only those Claims THAT ARE FIRST MADE AGAINST THE MEMBER DURING THE COVERAGE DOCUMENT PERIOD AND TIMELY REPORTED TO POOL.

The Contribution and Coverage Declarations (CCD) issued to the Named Member by the Pool is part of this Coverage Document, subject to the terms, conditions, definitions, exclusions, and sublimits contained in this Coverage Document, any endorsements, and the Interlocal Participation Agreement (IPA).

Words and phrases that are capitalized have special meaning. Refer to SECTION II- DEFINITIONS

SECTION I - CLAIMS MADE COVERAGE AGREEMENT: PAYMENT AND DEFENSE

In consideration of the Member's contribution to the Pool, and in reliance upon the representations made by Member in the Application for this coverage, and subject to all provisions contained in this Coverage Document, including any endorsements, the Pool agrees as follows:

A. WHAT WE WILL PAY

The Pool will pay on behalf of the Member, subject to all provisions contained in this Coverage Document, any sums which the Member shall become legally obligated to pay as Damages or Claims Expenses solely by reason of any Wrongful Act stated in a Claim.

PROVIDED ALWAYS that the following are true:

1. Notice of Claim occurs during the Coverage Document Period;
2. Notice is provided by the Member to the Pool during the Coverage Document Period (or during the Optional Extended Reporting Period, if applicable);
3. The Wrongful Act for which Claim is made happened during the Coverage Document Period or on or after the retroactive date set forth in the CCD; provided, however that if the Wrongful Act happened before the Coverage Document Period, the Named Member did not give notice to any prior insurer or coverage provider; and

4. The Member had no knowledge or reason to believe at the inception of the Coverage Document Period or any extensions or renewals that any Wrongful Act was likely to result in a Claim being made against any Member.

B. DEFENSE, SETTLEMENT AND ALLOCATION OF DAMAGES

1. Subject to all of the provisions contained in this Coverage Document, including Sections I.B.4 and I.B.5, the Pool has the right and duty to defend any Claim against the Member alleging a Wrongful Act and seeking Damages, even if a Claim is groundless, false or fraudulent. The Pool shall have the right to incur Claims Expenses and to make an investigation and settlement of any Claim or suit as may be deemed expedient by the Pool and the Pool may settle any Claim at its sole discretion and without the consent of the Member. The determination by the Pool as to any settlement and as to the reasonableness of settlements and Claims Expenses shall be conclusive on the Member. The Pool shall have the right, but not the obligation, to appeal any judgment adverse to the Member.
2. The Pool shall have no obligation to pay sums the Member shall become legally liable to pay as Claims or Damages that are not covered by this Coverage Document (including amounts in excess of any applicable sublimits) or to contribute to a settlement of any such Claims or Damages. In negotiating any settlement or Claim payment, the Pool shall have the right to request the Member make an appropriate contribution for uncovered Claims or Damages. If both Damages covered by this Coverage Document and Damages not covered by this Coverage Document are incurred or are to be incurred because a Claim made against the Member or Damages sought from the Member includes both covered and uncovered matters, the Pool and the Member will use their best efforts to determine a fair and appropriate allocation of Damages between that portion of Damages that is covered under this Coverage Document and that portion of Damages that is not covered under this Coverage Document. The Pool and the Member will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense or settlement of, the Claim. In the event the Pool and the Member cannot reach an agreement as to an allocation of Damages, then the parties will each contribute the amount proposed by the Pool until a final amount is agreed upon or determined pursuant to the provisions of this Coverage Document and applicable law.
3.
 - a. Upon written request to the Pool by Named Member for pre-Claim involvement of Pool prior to the formal existence of a Claim, the Pool has the right, but not the duty, to designate attorneys, investigators, or other persons to perform work and incur expenses on behalf of the Named Member where the Pool anticipates a Claim.
 - b. If, in the sole discretion of the Pool, employing the services of attorneys, investigators, or other persons to perform work and incur expenses on behalf of any Member, or the Pool, is deemed appropriate to protect Pool interests prior to the formal existence of a Claim, the Pool has the right, but not the duty, to employ persons as a Pool operational expense.
4. The Pool shall have the right, but not the duty, to monitor and participate in the defense of any investigatory, administrative or disciplinary proceeding relating to any Wrongful Act of the Member. Should the Pool elect to defend, monitor or participate under this provision, the election shall not constitute a waiver of any rights the Pool may have pursuant to any of the provisions of this Coverage Document.

5. If the Pool determines that the Limits of Liability under this Coverage Document may be insufficient to pay or settle any covered Claim or Claims, or if there are multiple or competing Claims against one or more Members, the Pool may, in its sole discretion, tender the remaining Limits of Liability available under this Coverage Document, either to the treasury of the Named Member, a person authorized to receive funds for the Named Member, or the registry of a court of competent jurisdiction and exhaust the Limits of Liability under this Coverage Document. Tender by the Pool of an amount that would exhaust either the Limits of Liability or the Aggregate shall terminate: (1) the Pool's liability to pay any amounts for unincurred Claims Expenses with regard to any Claim or Claims; (2) the Pool's duties to defend any Member from any Claim or Claims; and (3) the Pool's liability to pay any amount for Damages with regard to any Claim or Claims.
6. Exhaustion of the amount designated as Aggregate in the CCD terminates: (1) the Pool's duties to defend any Member in connection with any Claim or Claims made against the Member after the exhaustion of the Aggregate; and (2) the Pool's liability to pay any amounts for Claims Expenses or Damages for any Claim or Claims.
7. The Pool will provide, subject to the other provisions of the Coverage Document, a defense to a constitutional or statutory takings Claim that is excluded from coverage under Section IV.A.6; provided, however, that the Pool's obligation is limited to \$50,000 per Claim and \$50,000 in the Aggregate. This limited duty to defend is the Pool's sole obligation under this provision. The Pool has no duty to indemnify any Member for sums Member becomes legally obligated to pay as Damages. All Claims against a Member for Damages subject to Section IV.A.6 are specifically excluded from coverage.
8. The Pool will provide, subject to the other provisions of the Coverage Document, a defense to a malicious or criminal act or omission Claim against a Member that is excluded under Section IV.A.7; provided, however that the Pool's obligation is limited to the defense of the Named Member or any Member not identified as the perpetrator of the malicious or criminal act or omission. The Pool has no duty to indemnify any Member for sums the Member becomes legally obligated to pay as Damages if the Member consented to or had knowledge of the malicious or criminal acts or omissions. All Claims against a Member identified as the perpetrator of a malicious or criminal act or omission subject to Section IV.A.7 for Damages arising from the acts or omissions are specifically excluded from coverage.
9. The Pool will not pay Damages for any Claims where such payments are prohibited by federal or state statute or other applicable law.
10. Claims Expenses shall not be deducted from the Limits of Liability.

SECTION II - DEFINITIONS

- A. **Aggregate** means the Pool's total liability for Damages resulting from all Claims first made against the Members during the Coverage Document Period and shall not exceed the amount stated in the CCD as Aggregate regardless of the time when the Claim is paid. If the Named Member exercises the right to purchase the Optional Extension Coverage, the Aggregate limit for the Optional Extended Reporting Period

shall be no more than that which remains of the Aggregate limit from the immediately preceding Coverage Document Period.

- B. **Claim** means a written demand received by the Member specifically for money Damages, including punitive or exemplary damages and back wages, against the Member, but does not include:
1. Any demand or suit based upon a Wrongful Act performed while Member was engaged in any activity for which Member received compensation from any source other than the Named Member or was engaged other than by and through the specific authority of the Named Member;
 2. Any demand or suit arising out of a contractual obligation or the breach of a contract, including constructive and implied contracts and demands or suits under a theory of quantum meruit or under any theory of estoppel.

Claims based on or arising out of the same Wrongful Act or interrelated Wrongful Acts, involving one or more of the Members, shall be considered a single Claim, and a Claim so considered shall be deemed to have been made solely during the one Coverage Document Period which includes the time the Claim is initially made.

C. **Claims Expenses** means:

1. Fees incurred by the Pool for an attorney designated by the Pool;
2. All other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a Claim, if incurred by the Pool, except for those fees, costs, and expenses of the employees of the Texas Association of Counties, or expenses of a Claims adjustment contractor for the Pool;
3. Fees charged by any attorney designated by the Member with the written consent of the Pool, but only as to those fees incurred after receipt by Member of written consent from the Pool; and
4. Expenses incurred where the Pool, in accordance with Section I.B.3.a. of this Coverage Document, responds to a written request by Named Member for pre-Claim involvement of the Pool prior to the formal existence of a Claim to perform work and incur expenses on behalf of the Named Member.

D. **Contribution and Coverage Declarations (CCD)** means the document that sets forth the specific indication of the coverage, limits and deductibles, Contributions and special provisions elected by each Member, including any modifications made by issuance of any amendatory CCD or endorsement.

E. **Coverage Document** means this agreement between the Pool and Member, including any endorsements.

F. **Coverage Document Period** means that one-year period Designated in the CCD, unless otherwise specified, or the period as shortened by termination, if any.

If the Optional Extended Reporting Period coverage is purchased by the Member, it shall in no way increase the Coverage Document Period or any renewal, except that any Optional Extended Reporting Period shall be

included in the previous Coverage Document Period for purposes of application of the Aggregate limit of the Pool's liability.

- G. **Damages** means actual and compensatory money damages only, including punitive damages, arising out of Wrongful Act of Member, and does not include:
1. penalties, fines, sanctions, unpaid or withheld wages, overtime, back benefits, taxes or fees collected by the Member, or any similar types of damages, or restitution of any kind for any damages just enumerated, even if designated as compensatory or liquidated damages under any federal or state law;
 2. any damages resulting from harm to or interference with property of any Member or any employee, agent or volunteer of the Member arising out of activity with or employment by Member, including loss of use of property;
 3. any damages resulting from property seized, held, auctioned or sold by Member, including any forfeited money or other property or its value, or resulting from violation of or interference with property rights;
 4. any amount which may become due and payable under the terms of any contractual obligation whether imposed by law or by agreement of Member;
 5. attorney's fees and any costs, charges, fees or expenses of litigation if any are demanded from Member without an accompanying demand for other relief which would constitute Damages, or that portion of any attorney's fees and any costs, charges, fees or expenses of litigation demanded from Member which may be attributed or allocated to a Claim or any part of a Claim excluded under this Coverage Document (including any part of a Claim that exceeds a sublimit imposed under this Coverage Document), to any demand for relief other than for actual or compensatory damages, or to any other demand or matter not covered under this Coverage Document.
- H. **Effective Date** means the date the Coverage Document becomes effective in the Coverage Document Period. The Effective Date of any renewal of this Coverage Document shall be considered the Effective Date of a new Coverage Document Period.
- I. **Limits of Liability** the Limits of Liability of the Pool for payment of Damages shall be the applicable Limit shown in the CCD under Limits of Liability.
- J. **Member** means (1) Named Member; (2) those persons, individually or collectively, acting within the scope of their Official Capacity who are duly elected or appointed officials or employees or volunteers of the Named Member; and (3) a board, committee or similar entity that (a) is created solely by the Named Member's governing body, (b) is comprised only of persons appointed by the Named Member's governing body, (c) serves only the Named Member's purposes, and (d) is funded at least in part by Named Member.

The Juvenile Board is a Member, but only if the Juvenile Board serves only the Named Member's county. If the Juvenile Board serves more than one county, the Juvenile Board is a Member only if each county represented on the Juvenile Board is a Member of the Pool. The individuals serving on the Juvenile Board are Members only if they are officials or employees or volunteers of the Named Member.

The district attorney is not a Member, nor is a district judge. An individual serving as criminal district attorney, county/district attorney or another statutorily-created office that is, effectively, a combination of the offices of county attorney and district attorney is a Member, but only when performing functions performed by the county attorney in a county that has a county attorney.

Anyone serving under a third party contract with the Named Member is not a Member.

- K. **Named Member** means a county or other political subdivision so designated in the CCD.
- L. **Notice of Claim** means one of the following, whichever occurs first:
 - 1. For a lawsuit against the Member, notice of the suit by service of process or otherwise; or
 - 2. The Member obtains or receives knowledge or reason to believe that any Wrongful Act may reasonably be expected to result in a Claim.
- M. **Official Capacity** means only those functions and responsibilities that come within the scope of performance of a Member for or on behalf of the Named Member.
- N. **Optional Extension Coverage** means the optional coverage that may be purchased if the Pool, or the Named Member, cancels or refuses to renew this Coverage Document as set forth in Section VII of this Coverage Document.
- O. **Optional Extended Reporting Period** means the period for which the Named Member elects to purchase Optional Extension Coverage.
- P. **Pool** means the Texas Association of Counties Risk Management Pool.
- Q. **Wrongful Act** means any actual or alleged error or misstatement, omission, act of neglect or breach of duty including misfeasance, malfeasance or nonfeasance by the Member, or Members in their Official Capacity, individually or collectively, or any matter claimed against them solely by reason of their having served or acted in an Official Capacity.

SECTION III - LIMITS OF LIABILITY

The following Limits of Liability apply unless otherwise stated on the CCD.

A. LIMITS OF LIABILITY

Regardless of the number of:

- 1. Members involved in a Claim,
- 2. Persons or entities who sustain Damages, or
- 3. Claims made,

Exhaustion of the Limits of Liability shown in the CCD shall terminate the Pool's liability to pay any Damages or Claims Expenses. The Pool shall never be required to pay Damages in excess of the applicable Limits of Liability shown in the CCD in connection with any Claim or Claims.

Claims based on or arising out of the same or related acts, omissions or events involving one or more Members shall be considered a single Claim and only one deductible and one Limits of Liability shall be applicable to the Claim. If Member has, or is a beneficiary of, other Coverage Documents through the Pool, the Pool shall not be required to pay an amount in excess of the appropriate Limits of Liability shown in the CCD in connection with any Claim. The Pool and the Named Member agree that Pool coverages do not combine with respect to payment of Damages or Claims Expenses.

The Pool's total liability for Damages for all Claims during any one Coverage Document Period shall never exceed the Aggregate stated in, Limits of Liability, of the CCD.

Tender by the Pool of an amount that would exhaust either the Limits of Liability for any Claim or the Aggregate Limits of Liability applicable to all Claims to the treasury of the Named Member, a person authorized to receive funds for the Named Member, or the registry of a court of competent jurisdiction, shall terminate the Pool's liability to pay any amounts for Damages or Claim Expenses with regard to any Claim or Claims.

B. SUPPLEMENTARY PAYMENTS

The Pool will pay, in addition to the applicable Claims Expenses and the Limits of Liability, as shown in CCD:

1. Expenses incurred by Texas Association of Counties employees, or Claims adjustment contractors in the monitoring and supervision of Claims;
2. Interest, but only on that portion of any judgment which does not exceed the Pool's Limits of Liability thereon, which accrues after entry of the judgment and before the Pool has paid or tendered or deposited into the court registry that portion of the judgment which is the Pool's liability;
3. Up to \$250 per bond premium on appeal bonds in any suit defended by the Pool and up to \$250 premium on bonds to release attachments in any suit, for an amount not in excess of the Limits of Liability. However, in accordance with its discretionary right to appeal, the Pool shall have the right, but not the obligation, to apply for or furnish any appeal bond.

C. DEDUCTIBLE

The Pool will pay only those Damages and Claims Expenses, with regard to a Claim, which are in excess of the Deductible amounts stated in the CCD. The Deductible amount stated in CCD shall be borne by Named Member and shall not be borne by the Pool. The Named Member is wholly responsible for paying the entire Deductible shown in the CCD. A Member, other than the Named Member, has no personal responsibility for paying any portion of the Deductible, and is fully covered for the amount of any liability not in excess of \$100,000, as referenced in Texas Civil Practices and Remedies Code Section 108.002.

At the option and discretion of the Pool, the Pool may pay all or part of the Deductible amount to effect settlement, and, upon notification to the Named Member, Named Member shall promptly reimburse the Pool for all expenditures. If the Pool pays any Claims Expenses which fall within the Deductible amount stated in the CCD, the Named Member, upon notification, shall promptly reimburse the Pool for all expenditures.

The Deductible amount stated in the CCD shall be applicable to each Claim and request for pre-Claim assistance under Section I.B.3.a involving each Member and shall include payments for Damages and Claims Expenses.

D. SUBLIMITS

1. County or District Clerk. The Aggregate Limit of Liability is exclusive of a Claim against the county clerk or a deputy county clerk and the district clerk or a deputy district clerk for liability incurred through errors or omissions in the performance of their official duties. The Limit of Liability for a Claim for liability incurred through errors or omissions in the performance of their official duties against the county clerk or a deputy county clerk shall not exceed \$1,000,000. The Limit of Liability for a Claim for liability incurred through errors or omissions in the performance of their official duties against the district clerk or a deputy district clerk shall not exceed \$1,000,000. These Limits of Liability are provided in addition to and are distinct from the Limits of Liability provided under this Coverage Document.
2. Back Wages. The Limits of Liability are inclusive of a Claim against a Member for back wages subject to a sublimit not to exceed \$50,000 per Claim and a \$100,000 annual Aggregate Limit of Liability.
3. Prosecutor. The Limits of Liability are inclusive of Claim Expenses for a Claim against the county attorney, or other employees of the county attorney or other employees of the district attorney for malicious prosecution subject to a sublimit not to exceed \$500,000 per Claim and a \$1,000,000 annual Aggregate Limit of Liability.
4. Takings. The Limits of Liability are inclusive of Claim Expenses for a statutory or constitutional takings Claim up to a sublimit of \$50,000 per Claim and a \$50,000 annual Aggregate Limit of Liability.

SECTION IV - EXCLUSIONS

A. THIS COVERAGE DOCUMENT DOES NOT APPLY TO:

Claims arising out of, in whole or in part, directly or indirectly, or arising in concurrent cause with the following:

1. Fraud, dishonesty or bad faith of any Member, except as an element of a Claim of malicious prosecution; and except that Members shall be defended, under the terms of this Coverage Document, as to any claims upon which suit may be brought against them by reason of any alleged fraud or dishonesty or bad faith on the part of any Member, unless a judgment or other final adjudication adverse to the Member shall establish that acts of dishonesty or fraud committed by the Member were material to the cause of action so adjudicated.

2. Bodily Injury, sickness, assault or battery, communicable disease or death of any person.
3. Physical injury to property or loss of use of property.
4. False arrest, false imprisonment, excessive use of force, wrongful detention, wrongful eviction, wrongful entry, or other invasion of the right of private occupancy, wrongful or improper service of process, humiliation, libel, slander, or violation of an individual's right of privacy.
5. Any acts, services or duties in furtherance of or supervision of the law enforcement pursuits or activities of any law enforcement officials, department or agency of the Named Member including budgeting for law enforcement, except as an element of: (1) a Claim of malicious prosecution; or (2) a Claim arising out of actual or alleged wrongful employment practices brought by employees of the Named Member who are not elected officials of the Named Member.
6. Inverse condemnation, takings as understood under any law, adverse possession, dedication by adverse use or nuisance; nor the intentional, negligent or accidental discharge, disbursement, release or escape of pollutants, or potential pollutants, including smoke, vapors, soot, fumes, acids, alkalis, toxins, pathogens, chemicals, particulates, fibers, radioactivity or radiation, whether thermal, thermonuclear or otherwise, solids, liquids or gases, waste materials or irritants, contaminants, or other pollutants or potential pollutants of any kind into or upon land, any area below ground, air, the atmosphere, or water; nor demands or actions arising from any governmental direction or request that the Member test for, monitor, clean up, remove, contain, analyze, examine, treat, detoxify or neutralize pollutants or potential pollutants.
7. Malicious or criminal act or omission of any Member who committed, consented to, or had knowledge of the malicious or criminal act or omission. This exclusion does not apply to an act that is an element of a Claim of malicious prosecution. The Pool will provide a defense under the terms of this Coverage Document in any Claim or lawsuit arising or resulting from a malicious or criminal act or omission by a Member for the Named Member and any Member not identified as the perpetrator of the malicious or criminal act or omission and sued in his or her Official Capacity only.
8. Acts or omissions relating to Member's fiduciary capacity as respects any employee benefit plan or as trustee of any employee benefit plan.
9. Continuous or repeated exposure to the same or similar conditions in which any exposure or condition existed or happened before the Coverage Document Period or the retroactive date set forth on the CCD, if any.
10. Laboratory testing or medical malpractice. For the purpose of this exclusion a medical malpractice Claim includes a health care liability Claim as defined in Section 74.001 of the Texas Civil Practice & Remedies Code, against a physician, physician's assistant or other health care provider.
11. A regulatory act or similar act by a Member that restricts limits or prohibits a person or entity's right to: 1) use property owned by the person or entity; or 2) to pursue a certain business.

12. Preparation of bid specifications, failure to supply governmental services, and strikes, riots or civil commotion.
13. The failure to pay: a) any bond, including interest on any bond; or b) any debt, financial guarantee or debenture.
14. The ownership, operation, management, use, control, repair, maintenance, demonstration, loading or unloading, or entrustment to others of any aircraft and any policies, practices, customs, usages or procedures related to the above. For the purposes of this exclusion "aircraft" means any machine capable of flight, including an airplane, helicopter, glider, balloon, or aerial vehicle that is not controlled by a person from within or on the aerial vehicle.

B. THIS COVERAGE DOCUMENT ALSO DOES NOT APPLY TO:

1. Any Claim by or through any Member against another Member, either individually or collectively, nor to any Claim by any public official on behalf of a Member against any Member; nor to any Claim by a volunteer engaged in activities for any Member against any Member; however, this exclusion shall not apply to Claims arising out of actual or alleged wrongful employment practices brought by employees of the Named Member who are not elected officials of the Named Member, nor to any Claim brought against a county clerk or deputy county clerk, or district clerk or deputy district clerk for liability incurred through errors and omissions in the performance of their official duties. For the purpose of this exclusion, the term Member includes an individual that was a Member at the time the Claim arose.
2. Demands or actions seeking equitable relief, or redress in any form other than money Damages; nor to any action, suit or proceeding seeking relief or redress in any form other than money Damages; nor to any investigatory, administrative, disciplinary, or criminal proceeding against a Member.
3. Demands or actions related to a Claim resulting from the actual or reasonably suspected theft, loss or unauthorized disclosure of or access to electronic information or a violation or failure of the security of the Named Member's Computer System, except as provided in Section V, Privacy and Security Liability and Expense Coverage.

SECTION V – PRIVACY OR SECURITY EVENT LIABILITY AND EXPENSE COVERAGE

Terms and definitions below may vary from the terms and definitions set forth in Sections I and II. To the extent terms and definitions between Sections I and II and this Section V conflict, for purposes of a Privacy or Security Event, the terms and definitions under Section V control. Coverage under this Section is only available for a Privacy or Security Event occurring on or after the Retroactive Date.

A. PRIVACY OR SECURITY EVENT LIABILITY AND EXPENSE COVERAGE AGREEMENT

The following coverages are limited as described in Section V. The right and duty of the Pool to defend ends when the applicable limit of liability is exhausted in the payment of judgements or settlements, Regulatory Penalties, Claims Expenses, Privacy Response Expenses, PCI-DSS Assessments, Electronic Equipment and Electronic Data Damage, Network Interruption Costs, Cyber Extortion Expenses, and Cyber Extortion Monies. This coverage applies if:

- i. The Privacy or Security Event commenced on or after the Retroactive Date and before the end of the Coverage Period;
- ii. A Claim for Damages because of the Privacy or Security Event is first made against the Member during the Coverage Period or any Extended Reporting Period provided under Section VII; and
- iii. The Member gives written notice of the Claim to the Pool in accordance with Section V.E.

A Claim seeking Damages will be deemed to have been made when notice of the Claim is received by any Member or by the Pool, whichever occurs first.

1. Privacy or Security Event Liability

The Pool will pay those sums a Member becomes legally obligated to pay as Damages because of a Privacy or Security Event. The Pool will have the right and duty to defend the Member against any Suit seeking such Damages. However, the Pool will have no duty to defend any Member against any Suit seeking Damages to which this coverage does not apply. The Pool may at its discretion investigate any Privacy or Security Event and settle any Claim that may result.

2. Privacy Response Expenses

The Pool will pay for Privacy Response Expenses incurred by the Member in connection with a Privacy or Security Event that results in the actual or reasonably suspected theft, loss or unauthorized disclosure of or access to Personal Information.

But: The amount the Pool will pay for Privacy Response Expenses is limited as described in Section V.D.

3. Regulatory Proceedings and Penalties

The Pool will pay for Regulatory Penalties the Member becomes legally obligated to pay as a result of a Regulatory Proceeding resulting from a Privacy or Security Event. The Pool will have the right and duty to defend the Member against any Regulatory Proceeding to which this coverage applies. The Pool may at its discretion investigate any Privacy or Security Event and settle any Claim that may result.

4. PCI-DSS Assessments

The Pool will pay for PCI-DSS Assessments for which a Covered Person is liable if the PCI-DSS Assessments are due to noncompliance by the Covered Person with PCI Data Security Standards and the noncompliance resulted in a Privacy or Security Event.

But: The amount the Pool will pay for PCI-DSS Assessments is limited as described in Section V.D.

5. Electronic Equipment and Electronic Data Damage

The Pool will pay for the Member's damage to, loss of use or destruction of electronic equipment caused by the reprogramming of the software (including the firmware) of such electronic equipment rendering it useless for its intended purpose, the reasonable and necessary expenses to determine whether Electronic Data can or cannot be restored, recollected, or recreated, and the reasonable and necessary expenses to restore, recreate or recollect Electronic Data for which a Covered Person incurs as a result of a Privacy or Security Event.

6. Network Interruption Costs

The Pool will pay for Business Income Loss, Expenses to Reduce Loss, Extra Expenses and Proof of Loss Preparation Costs for which a Member incurs after the Waiting Hours Period of 12 hours and solely as a result of a Privacy or Security Event.

7. Cyber Extortion Coverage

The Pool will pay for Cyber Extortion Expenses and Cyber Extortion Monies the Member pays as a direct result of a Cyber Extortion Threat.

B. DEFINITIONS

The following definitions apply to this coverage:

1. **General Aggregate** means the Pool's total liability for Damages resulting from all Claims first made during the Coverage Document Period and shall not exceed the amount stated in this Section as the General Aggregate regardless of the time when the Claim is paid. If the Named Member exercises the right to purchase the Optional Extension Coverage, the General Aggregate for the Optional Extended Reporting Period shall be no more than that which remains of the General Aggregate from the immediately preceding Coverage Document Period.
2. **Bodily Injury** means physical injury, sickness or disease sustained by any person, including death resulting from these at any time. Bodily Injury also means mental illness, mental anguish or emotional distress, pain or suffering or shock sustained by any person, whether or not resulting from physical injury, sickness, disease or death of any person.
3. **Business Income Loss** means the sum of the following incurred during the Period of Indemnity and the Extended Period of Indemnity (if any):
 - a. net profits that would have been earned but for the Material Interruption (after charges and expenses, but not including any capital receipts, outlays properly chargeable to capital, and deductions for taxes and profits); and
 - b. charges and expenses which necessarily continue (including ordinary payroll)

If there would have been no net profit, Business Income Loss means the charges and expenses which necessarily continue less any loss from business operations that would have been sustained had there been no Material Interruption.

4. **Claim** means any demand for money Damages, Suit for Damages or Regulatory Proceeding or PCI-DSS Assessment resulting from a Privacy or Security Event. All Claims because of a single Privacy or Security Event will be deemed to be a single Claim and to have been made at the time the first such Claim is made against any Member, regardless of the number of individuals or entities making such Claims or the time period over which such Claims are made, even if subsequent Claims are made after the Coverage Period or any Extended Reporting Period provided under Section VII.

5. **Claim Expenses** means:

- a. Reasonable and necessary fees charged by attorneys designated by the Pool or designated by the Member with the Pool's prior consent to assist with the investigation, adjustment, negotiation, arbitration, defense or appeal of a Claim;
- b. All other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, negotiation, arbitration, defense or appeal of a Claim and incurred by the Pool or by the Member with the Pool's prior consent; and
- c. Premiums on appeal bonds, attachment bonds or similar bonds; however, the Pool is not obligated to apply for or furnish any such bond;

Provided, however, Claim Expenses do not include:

- a. Any internal salary, administrative, overhead or other related expenses of any Member or any charges by a Member for time spent cooperating with the investigation and defense of any Claim;
- b. Privacy Response Expenses; or
- c. PCI-DSS Assessments.

6. **Computer System** means computers and associated input and output devices, data storage devices, networking equipment and backup facilities:

- a. Operated by and either owned by or leased to the Member; or
- b. Operated by a third party service provider and used to provide hosted computer application services to the Member or for processing, maintaining, hosting or storing the Member's electronic data pursuant to a written contract with the Member for such services.

7. **Cyber Extortion Expenses** means all reasonable and necessary costs and expenses which a Member incurs as a direct result of a Cyber Extortion Threat, other than Cyber Extortion Monies.

8. **Cyber Extortion Monies** means any funds, including any cryptocurrency, which the Named Member pays, with the prior written consent of the Pool, the purpose of terminating the Cyber Extortion Threat.
9. **Cyber Extortion Threat** means a credible threat or series of related credible threats, including, but not limited to, a demand for Cyber Extortion Monies, directed at a Member to:
 - a. Release, divulge, disseminate, destroy or use confidential information taken from the Member as a result of a Privacy or Security Event;
 - b. Introduce malicious code into a Computer System;
 - c. Corrupt, damage or destroy a Computer System;
 - d. Restrict or hinder access to a Computer System.
10. **Electronic Data** means any software of electronic data stored electronically on a Computer System, including without limitation Personal Information.
11. **Expenses to Reduce Loss** means expenses incurred by the Member during the Period of Indemnity, over and above normal operating expenses, for the purpose of reducing Business Income Loss or shortening the Period of Indemnity.
12. **Extra Expenses** means expenses incurred by the Member during the Period of Indemnity or the Extended Period of Indemnity (if any), other than Expenses to Reduce Loss, that would not have been incurred but for a Material Interruption.
13. **Material Interruption** means the actual and measurable interruption or suspension of a Member's business directly caused by a Privacy or Security Event.
14. **PCI-DSS Assessment** means any monetary penalty owed by a Member due to the Member's noncompliance with Payment Card Industry Data Security Standards (PCI-DSS) under an agreement between the Member and a financial institution or other person enabling the Member to accept credit cards, debit cards, prepaid cards, or other payment cards.
15. **Personal Information** means an individual's name in combination with one or more of the following:
 - a. Information concerning the individual that constitutes "nonpublic personal information" as defined in the Gramm-Leach Bliley Act of 1999, as amended, and implementing regulations;
 - b. Medical or health care information concerning the individual, including without limitation "protected health information" as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and implementing regulations;
 - c. The individual's Social Security number, driver's license or state identification number, credit, debit, or other financial account numbers and associated security codes, access codes, passwords or

personal identification numbers that allow access to the individual's financial account information;
or

- d. Other nonpublic personally identifiable information, as protected under any local, state, federal or foreign law;

Provided, however, Personal Information does not include information that is lawfully available to the public, including without limitation information lawfully available from any Member or any local, state, federal or foreign governmental entity.

16. Privacy or Security Event means:

- a. The actual or reasonably suspected theft, loss or unauthorized disclosure of or access to Personal Information in the care, custody or control of the Member or for which the Member is legally responsible, regardless of whether such Personal Information is maintained in electronic, paper or any other format; or
- b. A violation or failure of the security of a Computer System, including but not limited to unauthorized access, unauthorized use, a denial of service attack or receipt or transmission of malicious code.

Any Privacy or Security Event that is continuous or part of a series of repeated or related Privacy or Security Events will be considered to be a single Privacy or Security Event and will be considered to have commenced when the first such Privacy or Security Event commenced regardless of:

- a. The number of individuals or entities engaged in such Privacy or Security Events;
- b. The number of individuals or entities affected by such Privacy or Security Events;
- c. The number of locations where such Privacy or Security Events occurred; or
- d. The number of such Privacy or Security Events occurring or period of time over which they occur, even if subsequent Privacy or Security Events take place after the Coverage Period.

17. Privacy Response Expenses means the following reasonable and necessary costs incurred by the Member within one year of the discovery of a Privacy or Security Event that results in the actual or reasonably suspected theft, loss or unauthorized disclosure of or access to electronic Personal Information in the care, custody or control of the Member or for which the Member is legally responsible:

- a. For the services of a security expert designated by the Pool to determine the scope and cause of a Privacy or Security Event and the extent to which Personal Information was disclosed to or accessed by unauthorized persons;
- b. For the services of consultants or attorneys designated by the Pool to determine the Member's obligations, if any, under applicable law to give notice to affected individuals;

- c. To notify affected individuals if required by applicable law or if the Member voluntarily elects to give such notice, and for the services of a contractor designated by the Pool to assist with providing such notice and responding to questions and concerns raised by individuals who are notified;
- d. For the services of a contractor designated by the Pool to provide identity theft protection services to affected individuals if the Member elects to provide such services; and
- e. For the services of a public relations consultant designated by the Pool to avert or mitigate damage to the Member's reputation as a result of the Privacy or Security Event;

Provided, however, Privacy Response Expenses do not include:

- a. Any internal salary, administrative, overhead or other related expenses of any Member or any charges by a Member for time spent cooperating with the investigation and response to any Privacy or Security Event;
- b. Claim Expenses;
- c. PCI-DSS Assessments;
- d. Electronic Equipment and Electronic Data Damage;
- e. Network Interruption Costs;
- f. Cyber Extortion Expenses; or
- g. Cyber Extortion Monies.

18. **Proof of Loss Preparation Costs** means fees and expenses incurred by a Member for the services of a third-party forensic accounting firm to establish and prove the amount of loss, including those costs in connection with preparing a proof of loss. Proof of Loss Preparation Costs does not include any fees or expenses for consultation on coverage or negotiation of claims.

19. **Property Damage** means damage to, loss of use of, or destruction of any tangible property; however, Property Damage does not include the loss of use or damage of electronic equipment caused by the reprogramming of software (including the firmware) of such electronic equipment rendering it useless for its intended purpose. For purposes of this definition, "tangible property" shall not include Electronic Data.

20. **Regulatory Penalties** means any civil fine or civil monetary penalty imposed in a Regulatory Proceeding payable by a Member to the governmental entity bringing the Regulatory Proceeding and any sum of money that a Member is legally obligated to deposit in a fund as equitable relief for the payment of consumer Claims due to an adverse judgment or settlement of a Regulatory Proceeding.

21. **Regulatory Proceeding** means a civil investigative demand, Suit, civil investigation or civil proceeding commenced by or on behalf any local, state, federal or foreign governmental entity in the entity's regulatory or Official Capacity.
22. **Suit** means a civil proceeding arising out of a Privacy or Security Event and includes an arbitration proceeding or other alternative dispute resolution proceeding and to which the Member must submit or does submit with the consent of the Pool.
23. **Waiting Hours Period** means the number of hours that must elapse once a Material Interruption has begun.

C. DEDUCTIBLE

For each Privacy or Security Event and Cyber Extortion Threat, the Pool will pay only such amounts as are in excess of the deductible amount shown in the CCD.

D. LIMITS OF LIABILITY

The following Limits of Liability apply unless otherwise stated on the CCD.

1. The Limits of Liability shown in the CCD establish the most the Pool will pay regardless of the number of Privacy or Security Events, Cyber Extortion Threats, Members, Claims made, Suits or Regulatory Proceedings brought or individuals or entities making Claims or bringing Suits or Regulatory Proceedings. The Limits of Liability and sublimits stated below are provided in addition to and are distinct from the Limits of Liability and sublimits provided under Section III of this Coverage Document.
2. The Pool's total liability for Privacy or Security Events for all Claims during any one Coverage Document Period shall never exceed the General Aggregate stated in, Limits of Liability, of the CCD.
3. Sublimits
 - a. Electronic Equipment, Electronic Data, and Network Interruption Costs. The Limits of Liability are inclusive of a Claim for a Member for Electronic Equipment, Electronic Data, and Network Interruptions Costs subject to a sublimit of \$100,000 not to exceed \$100,000 per Claim and a \$100,000 annual Aggregate Limit of Liability.
 - b. Cyber Extortion Expenses and Monies. The Limits of Liability are inclusive of a Claim made against a Member for Cyber Extortion Expenses and Monies subject to a sublimit of \$10,000 and a \$10,000 annual Aggregate Limit of Liability.

E. NOTICE TO THE POOL

1. As a condition precedent to the obligations of the Pool under this coverage, the Member must give written notice to the Pool of any Claim made against the Member as soon as practicable, but in no

event later than the end of the Coverage Period or any Extended Reporting Period provided under Section VII.

2. As a condition precedent to the obligations of the Pool under this coverage, the Member must give written notice to the Pool of any Privacy or Security Event or Cyber Extortion Threat as soon as practicable and provide all such information relating to the Privacy or Security Event or Cyber Extortion Threat as the Pool may reasonably request.
3. If during the Coverage Period, any Member becomes aware of a Privacy or Security Event that may reasonably be expected to give rise to a Claim, including a Regulatory Proceeding or PCI-DSS Assessment, against any Member, the Member must give written notice to the Pool of such Privacy or Security Event as soon as practicable, but in no event later than the end of the Coverage Period or any Extended Reporting Period provided under Section VII. Notice must include:
 - a. A specific description of the Privacy or Security Event, including all relevant dates;
 - b. The names of persons involved in the Privacy or Security Event, including names of potential claimants and a specific description of any Personal Information actually or reasonably suspected to have been subject to theft, loss or unauthorized access or disclosure;
 - c. The specific reasons for anticipating that a Claim may result from such Privacy or Security Event;
 - d. The specific nature of the alleged or potential Damages arising from such Privacy or Security Event; and
 - e. The specific circumstances by which the Member first became aware of the Privacy or Security Event.

Any Claim subsequently made against any Member arising out of such Privacy or Security Event shall be deemed to be a Claim made during the Coverage Period in which the Privacy or Security Event was first reported to the Pool.

F. EXCLUSIONS

The following exclusions apply to this Privacy or Security and Expense coverage in addition to all exclusions set forth in Section IV of this Coverage Document.

This coverage does not apply to any Claim, Suit, Regulatory Proceeding, Damages, Regulatory Penalties, Claim Expenses, Privacy Response Expenses, or PCI-DSS Assessments, Network Interruption Costs, Electronic Equipment and Electronic Data Damage, Cyber Extortion Expenses or Cyber Extortion Monies:

1. For, arising out of, or resulting from Bodily Injury or Property Damage;
2. For, arising out of, or resulting from any contractual liability or obligation, or arising out of or resulting from breach of contract or agreement either oral or written; provided, however, that this exclusion shall not apply:

- a. To the extent the Member would have been liable in the absence of such contract or agreement;
or
 - b. To amounts payable as PCI-DSS Assessments.
3. For, arising out of, or resulting from any actual or alleged antitrust violation, restraint of trade, unfair competition, or false or deceptive or misleading advertising or violation of the Sherman Anti-Trust Act, the Clayton Act, or the Robinson-Patman Act, as amended;
 4. For, arising out of or resulting from any actual or alleged false, deceptive or unfair trade practices; however, this exclusion does not apply to any Claim or loss covered that results from a theft, loss or unauthorized disclosure of or access to Personal Information;
 5. For, arising out of or resulting from:
 - a. The actual or alleged unlawful collection or acquisition of Personal Information by or on behalf of the Member; or the failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (i.e., opt-in or opt-out) from the collection, disclosure or use of Personal Information; or
 - b. The distribution of unsolicited email, direct mail, or facsimiles, wiretapping, audio or video recording, or telemarketing, if such distribution, wiretapping, recording or telemarketing is done by or on behalf of the Member;
 6. For, arising out of, or resulting from any of the following conduct by a Member:
 - a. Any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as the Racketeer Influenced and Corrupt Organizations Act or RICO), as amended, or any regulation promulgated thereunder or any similar federal law or law of any state, locality or foreign government, whether such law is statutory, regulatory or common law;
 - b. Any actual or alleged violation of any securities law, regulation or legislation, including but not limited to the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Act of 1940, any state blue sky or securities law, any other federal securities law or legislation, or any other similar law or legislation of any state, locality or foreign government, or any amendment to such laws, or any violation of any order, ruling or regulation issued pursuant to such laws;
 - c. Any actual or alleged violation of the Fair Labor Standards Act of 1938, the National Labor Relations Act, the Worker Adjustment and Retraining Act of 1988, the Certified Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act of 1970, the Employee Retirement Security Act of 1974 or any similar law or legislation of any state, locality or foreign government, or any amendment to such laws, or any violation of any order, ruling or regulation issued pursuant to such laws; or

- d. Any actual or alleged discrimination of any kind including but not limited to age, color, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy;
7. For, arising out of, or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, any intentional security breach, or any intentional or knowing violation of the law committed by any Member; provided, however, this exclusion shall not apply unless there is a final adjudication of such conduct, an admission of such conduct by the Member, or in a criminal proceeding a plea of guilty, *nolo contendere*, no contest or any similar plea by the Member;
8. For, arising out of or resulting from any actual or alleged:
 - a. Infringement of patent or patent rights or misuse or abuse of patent; or
 - b. Infringement of copyright arising from or related to software code or software products; or
 - c. Use or misappropriation of any ideas or trade secrets by a Member or on behalf of, or in collusion with a Member;
9. Arising out of or resulting from any of the following:
 - a. Trading losses, trading liabilities or change in value of accounts;
 - b. Any loss of monies, securities or tangible property of others in the care, custody or control of the Member;
 - c. The monetary value of any electronic fund transfers or transactions by or on behalf of the Member that is lost, diminished, or damaged during transfer from, to or between accounts; or
 - d. The value of coupons, price discounts, prizes awards, or any other valuable consideration given in excess of the total contracted or expected amount that is lost, diminished or damaged;

SECTION VI - CONDITIONS

A. COMPLIANCE WITH CONDITIONS

If any Member shall materially breach any warranty or materially fail to satisfy any condition of this Coverage Document, whether or not the Pool is actually prejudiced, there shall be no coverage, including any obligation to defend, for any Member as to the particular Claim or action in connection with which the breach occurred.

B. CCD

The CCD issued by Pool for any Coverage Document Period constitutes terms and conditions for that Coverage Document Period, and constitutes part of the Coverage Document for the Coverage Document Period. In the case of an extension of coverage, the CCD may be issued in the form of an extension endorsement.

C. DELIVERY OF THIS COVERAGE DOCUMENT

Delivery of this Coverage Document to the Named Member shall be considered delivery to each Member and the Named Member is authorized by each Member to accept delivery on the Member's behalf.

D. APPLICATION FOR COVERAGE

The Application and any Renewal Application for this coverage submitted to the Pool, which is signed by the Named Member or its authorized representative, is part of this Coverage Document for purposes of reliance by the Pool on information contained in the Application. Any substantial mistake or misrepresentation in an Application for coverage which is relied upon by the Pool terminates all the obligations of the Pool under this Coverage Document, including those of payment and defense. The Pool may, at its sole option, elect to waive termination of any part of its obligations.

E. ASSISTANCE AND COOPERATION OF THE MEMBER

1. The Member shall, without charge to the Pool, provide and assist and cooperate with the Pool in obtaining (whether by discovery in pending litigation against the Member or otherwise) truthful and accurate information pertaining a Claim and Damages, including information bearing on the existence or nonexistence of coverage for the Claim or Damages under this Coverage Document, and for these purposes shall (a) upon the request of the Pool, or its authorized representative, submit to examination under oath by a representative of the Pool, (b) attend and participate in hearings, (c) attend and testify truthfully in depositions and trials, and (d) assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses in the conduct of suits, in giving accurate and truthful written statements to the Pool's representatives and meeting with the Pool's representatives for the purposes of investigation and defense and determining whether the Claim or Damages are covered under this Coverage Document.
2. The Member shall not, except at its own cost, make any payment, assume or admit any liability, waive any defense or settle any Claim or action or incur any expense, without the prior written consent of the Pool. Any liabilities admitted, assumed or settled, defenses waived or any payments made, or expenses, including legal expenses, incurred by Member, without prior written consent of the Pool, shall be the sole obligation of the Member.
3. Further, the Member shall not demand, or agree to, arbitration or mediation of any Claim made against the Member without prior written consent of the Pool.
4. Each Member agrees to cooperate with the Pool in the prosecution of Claims, suits, indemnity actions, cross-claims, and/or counterclaims as the Pool, in its sole discretion, shall deem to be appropriate with respect to any Claim or suit brought against any Member and each Member agrees to execute papers as are required to be executed in the defense of any action against any Member, or with respect to the prosecution of Claims, suits, indemnity actions, cross-claims, and/or counterclaims.
5. The Named Member is authorized by each Member to give and receive all notices to and from the Pool on the Member's behalf.

F. NOTICE TO THE POOL

As a condition precedent under this Coverage Document, the Member shall:

1. Promptly and as soon as reasonably practicable report to the Pool all events or occurrences that could reasonably be expected to result in the Pool being required to consider a Claim against Member, together with information concerning any particulars known by Members and including any reasonably obtainable information with respect to persons, events, locations and dates involved;
2. Immediately upon receipt of a Claim or Notice of Claim by Member, and during the Coverage Document Period, give the Pool written notice of any Claim or Notice of Claim made against the Member together with information concerning any particulars known by Members and including any reasonably obtainable information with respect to persons, events, locations and dates involved;
3. If suit is brought against a Member, immediately forward to the Pool any demand, notice, summons or other process received directly or indirectly by the Member or by the Member's representative, along with a precise statement to the Pool of when the demand, notice, summons or other process was received, and by whom it was received;
4. Where conditions precedent in this paragraph require that notice be given to the Pool, immediately render the notice or report to the person or agent specifically designated by the Pool as authorized to receive notice for the Pool. The Pool and the Named Member expressly agree that only notice delivered to an authorized recipient for the Pool can satisfy any notice requirement.

G. ACTION AGAINST THE POOL

1. No legal action may be brought against the Pool unless there has been full compliance with all terms of this Coverage Document. In addition, no action may be brought against the Pool in regard to any matter involving a Claim or suit or proceeding involving this Coverage Document until the amount of the Member's obligation with respect to the pertinent Claim or suit or proceeding has been finally determined either by: (a) final judgment against the Member by the court of last resort after actual trial of the issues and appeal has been determined, or if the time to appeal therefrom has expired without an appeal having been taken; or (b) by written agreement of the Member, the claimant and the Pool.
2. Nothing contained in this Coverage Document shall give the Member or any person, firm, corporation or organization other than the Pool, any right to join the Pool as a party in any action or proceeding against the Member to determine the Member's liability.
3. Any action against the Pool by the Member or any other person must be brought within two years and one day after the cause of action accrues.

H. SUBROGATION

If it makes any payment under this Coverage Document, the Pool shall be subrogated to all of the Member's rights of indemnity or recovery, against any individual, firm, corporation, organization, or any other person.

The Member shall execute and deliver instruments and papers and do whatever else shall be reasonably requested to advance the Pool's pursuit of its subrogation rights, and Members shall do nothing after any Claim is made to prejudice the Pool's rights. The Pool shall be entitled to take over and conduct, in the name of the Member, for the Pool's own benefit, any Claim to which the Pool is subrogated against any third party. The Pool may pursue or settle any Claim for its own benefit at its sole discretion.

I. CANCELLATION OR NON-RENEWAL

1. Either party to this Coverage Document may cancel or non-renew this Document by giving notice of such intent to the other party. The notice must be in writing and must be delivered by certified mail, return receipt requested via U.S. Mail to the other party. Except for notice of cancellation or non-renewal by the Pool for nonpayment of Contributions, such notice must be given not less than 60 days prior to the effective date of cancellation.

2. The Pool may, in the Pool's sole discretion, permit the Named Member, upon the Named Member's written request, to terminate this Coverage Document by giving the Pool not less than 30 days' notice.

3. Notice of cancellation by the Named Member must be addressed to:

Texas Association of Counties Risk Management Pool
Attn: Member Services
P.O. Box 2131
Austin, Texas 78768-2131

4. The Pool may cancel or non-renew this Coverage Document:

- a. For nonpayment of Contributions, unless other provision for payment has been made by express written agreement between the Named Member and the Pool;
- b. If there is an increase in risk or hazard within the Named Member's control which would result in an increase in the rate or amount of Contribution;
- c. For fraud in the obtaining of coverage;
- d. If the Pool is placed in supervision, conservatorship, receivership and the cancellation is approved or directed by the supervisor, conservator or receiver;
- e. If the Named Member does not implement risk management techniques required by the Pool during the initial Coverage Document Period, or if risk management techniques do not result in the Named Member's attaining a risk level sufficient to meet the Pool's underwriting criteria during the initial coverage period;
- f. If the Interlocal Participation Agreement between the parties is terminated or the Named Member withdraws or is expelled from the Pool; or

g. For the Named Member's violation of any of the Named Member's other obligations under the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.

5. If the Pool cancels this Coverage Document for nonpayment of Contributions the cancellation shall be effective at 12:01 a.m. on the 10th day following the Pool's placement of the notice of cancellation in the U.S. Mail. These Conditions do not waive or alter any other applicable provisions of the Pool's Bylaws or the Interlocal Participation Agreement between the Named Member and the Pool.

6. Notice of cancellation by the Pool may be given to the county judge or presiding officer of the Named Member at the Named Member's address shown in the CCD.

J. RETAINED CONTRIBUTION PROPORTIONS

1. If this Coverage Document is terminated by the Named Member, the Pool shall retain the customary short rate proportion of the contribution.

2. If this Coverage Document is terminated by or on behalf of the Pool, the Pool shall retain the customary pro-rata proportion of the contribution.

K. CERTAIN MODIFIED TERMS

An increase in contribution or deductible, or reduction in Limit of Liability or Aggregate, or addition of endorsements to the Coverage Document, does not constitute a termination or refusal to renew this Coverage Document.

L. CHANGES

This Coverage Document, the CCD, the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the Pool's duly-adopted underwriting standards and criteria constitute the agreements between the Named Member and the Pool concerning the coverage afforded. The Pool may make changes to this Coverage Document, as permitted by the Pool's Bylaws, the Interlocal Participation Agreement between the Named Member and the Pool, and the laws governing the creation and operation of the Pool. This Coverage Document's terms cannot be amended or waived without the written authorization of the Pool. Any changes to the Pool's Bylaws, the Interlocal Participation Agreement between the Pool and the Named Member, or the Pool's underwriting standards or criteria are incorporated.

M. LIBERALIZATION

If the Pool changes this Coverage Document to provide more coverage without additional premium charge, the additional coverage will be effective as of the day indicated in the Pool's written notice of change to the Named Member.

N. WAIVER

Notice to any agent or knowledge possessed by any agent or by any other person of any fact, condition or other matter which might constitute grounds for denial of coverage shall not effect a waiver or a change in any part of this Coverage Document or estop the Pool from asserting any rights, including a right to deny coverage, under this Coverage Document. The terms of this Coverage Document may not be waived or changed except by a written endorsement issued by the Pool.

O. ASSIGNMENT

Assignment of any interest under this Coverage Document shall not bind the Pool without its prior written consent.

P. OTHER COVERAGE OR INSURANCE

If there is or may be other coverage or insurance against any incident, loss or Claim for which coverage is afforded under this Coverage Document, the coverage provided under this Coverage Document shall be deemed to be excess over any valid and collectible coverage or insurance available to any Member against whom a Claim is made. Members shall respond promptly to any reasonable inquiries from the Pool concerning other coverage or insurance that may be afforded to the Member or certain Members. However, coverage will not be extended under this Coverage Document for any Claim for which a Member has or had occurrence-based coverage or insurance in place at the time of the Wrongful Act or occurrence resulting in any Claim.

Q. JURISDICTION AND VENUE

The validity and interpretation of this Coverage Document will be governed by the laws of the State of Texas. This Coverage Document is performable and enforceable in Travis County, Texas. The state courts in Travis County will be the sole and exclusive venue for any litigation, special proceeding, or other proceeding arising from the performance of this Coverage Document.

R. ENTIRE AGREEMENT

The Coverage Document, the Pool's Bylaws and Plan of Operation and the Interlocal Participation Agreement between the Pool and the Named Member together constitute the entire coverage agreement and this agreement cannot be modified except as agreed in writing.

S. PAYMENT

Payment of contribution to Pool by Named Member, as consideration for this agreement, shall be made as set forth in the CCD.

T. TWO OR MORE COVERAGE DOCUMENTS ISSUED BY THE POOL

If this Coverage Document and any other coverage document issued to the Named Member by the Pool apply to the same Claim, the aggregate maximum limit of liability under all coverage documents

shall not exceed the highest applicable limit of liability under any one coverage document. This condition does not apply to any coverage document issued by the Pool specifically to apply as excess insurance over this Coverage Document.

U. EXAMINATION OF THE NAMED MEMBER'S BOOKS AND RECORDS

The Pool may examine and audit the Named Member's books and records as they relate to this Coverage Document or as may be required for the administration of the Pool.

V. INSPECTIONS AND LOSS CONTROL

The Pool has the right but is not obligated to:

1. Make inspections and surveys at any time;
2. Make risk management appraisals of the Named Member's operations, policies, procedures, vehicles, personnel and facilities;
3. Require the Named Member to implement and follow risk management procedures or techniques established by the Pool to reduce risk sufficient to meet the Pool's underwriting criteria. Any inspections, surveys, reports or requirements relate only to the Named Member's eligibility for liability coverage and the Contribution to be charged. The Pool does not make safety inspections. The Pool does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, nor does the Pool warrant that conditions are safe or healthful or comply with laws, regulations, codes or standards.

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

SECTION VII - EXTENDED REPORTING PERIOD

- A. If the Pool terminates or refuses to renew this Coverage Document for reasons other than the Named Member's non-payment of contributions or deductibles or non-compliance with the terms and conditions of this Coverage Document, or if the Named Member terminates or refuses to renew this Coverage Document, the Named Member, upon payment of an additional contribution as set forth below, shall have the option to extend the claims made coverage afforded by this Coverage Document to apply to Claims first made against the Named Member during the 12 or 24 month period immediately following the Effective Date of the termination. An Optional Extended Reporting Period is limited to and shall only be effective for purposes of any Wrongful Act committed before the date on which the Optional Extended Reporting Period began and after the retroactive date set forth in the CCD, if any, subject to the terms, conditions, definitions, Limits of Liability, exclusions and deductible provisions of the Coverage Document in effect on the date the Optional Extended Reporting Period is exercised.
- B. An increase in contribution or deductible, or reduction in Limit of Liability or Aggregate, does not constitute a termination or refusal to renew this Coverage Document that would trigger an option to elect an Optional Extended Reporting Period.

- C. The extension of coverage for Claims made and reported subsequent to termination of the Coverage Document shall be endorsed, if purchased, and shall be referred to in this Coverage Document as the Optional Extended Reporting Period. Individual Claims made and reported during any Optional Extended Reporting Period shall be deemed to have occurred during the most recent Coverage Document Period and all terms of the Coverage Document shall apply.
- D. The contribution for the Optional Extended Reporting Period elected by the Named Member shall be:
1. For a 12 month Optional Extended Reporting Period: 100 percent of the full annual contribution for coverage under this Coverage Document;
 2. For a 24 month Optional Extended Reporting Period: 150 percent of the full annual contribution for coverage under this Coverage Document.
- E. As a condition precedent to the Named Member's right to purchase the Optional Extended Reporting Period coverage, the Named Member must tender payment of all contributions and any unpaid deductibles due for the preceding period of coverage. The Named Member's right to purchase the Optional Extended Reporting Period coverage must be exercised by notice in writing and tendering of the contribution due not later than 10 days after the termination of this Coverage Document. If notice and contributions are not timely and properly made to the Pool, the Named Member shall not at a later date have any right to elect an Optional Extended Reporting Period.
- F. At the beginning of any Optional Extended Reporting Period, the entire contribution shall be deemed earned, and if the Named Member terminates the Optional Extended Reporting Period before the expiration of its full term for any reason, the Pool shall not be liable to return to the Named Member any portion of the contribution for the Optional Extended Reporting Period.