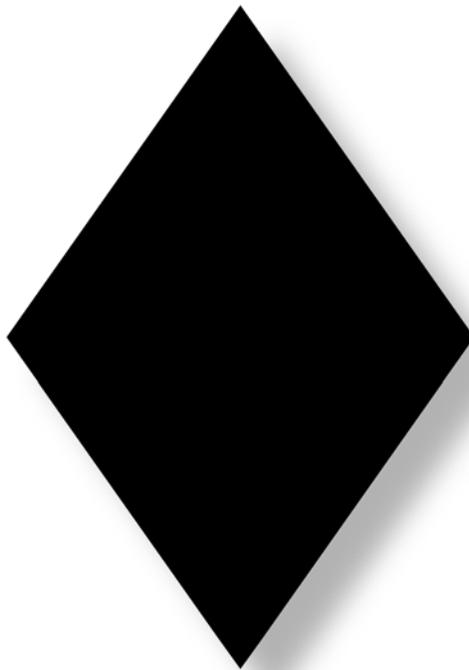


Policy Year  
2016-2017

# PUBLIC EDUCATION

## **Multi-Lines Insurance Policy**



**Forrester Academy, Inc.**

Idaho Counties Risk Management Program,  
UNDERWRITERS

3100 Vista Avenue, Suite 300, Boise, ID 83705 Phone: (208) 336-3100



# PUBLIC EDUCATION MULTI-LINES INSURANCE POLICY DECLARATIONS

## ISSUED BY IDAHO COUNTIES RISK MANAGEMENT PROGRAM, UNDERWRITERS

Named Insured: **Forrester Academy, Inc.**  
 Address: **3910 S. Yellowstone Highway**  
**Idaho Falls, Idaho 83402**

Policy Number: **3PED04243080416**  
 Policy Period: From: **August 4, 2016**  
 To: **July 1, 2017**  
 Both dates above at 12:01 AM

Application Date: **August 1, 2016**  
 Retroactive Date,  
 Section VI,  
 Insuring Agreement 2: **August 4, 2016**  
 Insuring Agreement 3: **August 4, 2016**

Member Contribution: **\$6,855**

Retroactive Date Section VIII: **August 4, 2016**  
 Retroactive Date Section XI: **August 4, 2016**

### ----- SECTION V – PROPERTY -----

Insuring Agreements	Limit of Indemnification	Coverage Basis and/or Aggregate	Deductible
<b><i>Buildings, Structures &amp; Property, Mobile Equipment and Automobile Physical Damage</i></b>			
Professional Fees	\$1,000,000	Per covered occurrence.	The first \$2,500 of any loss is applicable to Section V, Insuring Agreements 1 and 2, excepting flood and earth movement losses.  Earth Movement: The first \$25,000 of any loss. *Flood Type A: The first \$25,000 of any loss. **Flood Type B: The first \$500,000 per building and first \$500,000 per contents.
Fine Arts	\$1,000,000	Per covered occurrence or in the aggregate for multiple occurrences in one policy year.	
Landscape Items	\$25,000	Per covered occurrence.	
Ordinance Deficiency	\$5,000,000	Per covered occurrence.	
Preservation of Property	\$250,000	Per covered occurrence.	
Newly Acquired Property	\$10,000,000	Per covered occurrence.	
Property in Course of Construction	\$1,000,000	Per covered occurrence.	
Property In Transit	\$1,000,000	Per covered occurrence.	
Service Animals	\$25,000	Per covered occurrence.	
Water/Sewer Backup	\$1,000,000	Per covered occurrence or in the aggregate for multiple occurrences in one policy year.	
Earth Movement	\$50,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Education members combined in one policy year.	
Flood Type A*	\$50,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Education members combined in one policy year.	
Flood Type B**	\$5,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Education members combined in one policy year.	
Operational Disruption Expense	\$2,500,000	Per covered occurrence or in the aggregate for multiple occurrences in one policy year.	
Data Restoration Related to Operational Disruption Expense	\$250,000	Per covered occurrence or in the aggregate for multiple occurrences in one policy year.	
Valuable Papers and Records	\$1,000,000	Per covered occurrence or in the aggregate for multiple occurrences in one policy year.	
Data Restoration Related to Valuable Papers and Records	\$500,000	Per covered occurrence or in the aggregate for multiple occurrences in one policy year.	

**TOTAL SECTION V LIMIT OF INDEMNIFICATION IS \$500,000,000 PER OCCURRENCE LIMIT FOR ALL PROPERTY COVERAGES AND ALL LIMITS OF INDEMNIFICATION COMBINED FOR ALL PUBLIC EDUCATION MEMBERS COLLECTIVELY.**

----- SECTION VI – GENERAL LIABILITY -----

<i>Insuring Agreements</i>	<i>Indemnification Limit For Covered Claims</i>	<i>Defense Cost Limit for Covered Claims</i>	<i>Coverage Basis</i>
1. <i>General Liability</i>	\$2,000,000	\$3,000,000	Per covered occurrence.
2. <i>Sexual Molestation Or Abuse Liability – CLAIMS MADE COVERAGE-See Retroactive Date</i>	\$2,000,000	\$3,000,000	Per Covered Claim.
3. <i>Educator's Liability CLAIMS MADE COVERAGE -See Retroactive Date</i>	\$2,000,000	\$3,000,000	Per Covered Claim.

----- SECTION VII – AUTO LIABILITY -----

<i>Insuring Agreements</i>	<i>Indemnification Limit For Covered Claims</i>	<i>Defense Cost Limit for Covered Claims</i>	<i>Coverage Basis</i>
1. <i>Automobile Liability</i>	\$3,000,000	\$3,000,000	Per covered accident.
2. <i>Automobile Medical Payments</i>	\$5,000 \$100,000	\$0	Each person. Each accident.
3. <i>Uninsured / Underinsured Motorists</i>	\$100,000 \$300,000	\$3,000,000	Each person. Each accident.

----- SECTION VIII – ERRORS & OMISSIONS CLAIMS MADE -----

<i>Insuring Agreements</i>	<i>Indemnification Limit For Covered Claims</i>	<i>Defense Cost Limit for Covered Claims</i>	<i>Coverage Basis</i>
1. <i>Errors and Omissions CLAIMS MADE COVERAGE-See Retroactive Date</i>	\$2,000,000	\$3,000,000	Per covered claim.
2. <i>Employee Benefit Liability CLAIMS MADE COVERAGE-See Retroactive Date</i>	\$2,000,000	\$3,000,000	Per covered claim.
3. <i>Employment Practices Liability CLAIMS MADE COVERAGE-See Retroactive Date</i>	\$2,000,000	\$3,000,000	Per covered claim.

INDEMNIFICATION LIMIT IN THE AGGREGATE FOR POLICY PERIOD SPECIFIED FOR SECTIONS VI, VII, VIII, XI and XII COMBINED IS \$10,000,000.

DEFENSE COST LIMIT IN THE AGGREGATE FOR POLICY PERIOD SPECIFIED FOR SECTIONS VI, VII, VIII, XI and XII COMBINED IS \$5,000,000.

----- SECTION IX – CRIME INSURANCE -----

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

----- SECTION X – MACHINERY BREAKDOWN INSURANCE -----

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

**TOTAL SECTION X LIMIT OF INDEMNIFICATION IS \$100,000,000 PER OCCURRENCE LIMIT FOR ALL MACHINERY BREAKDOWN COVERAGES AND ALL LIMITS OF INDEMNIFICATION COMBINED FOR ALL PUBLIC EDUCATION MEMBERS COLLECTIVELY.**

----- SECTION XI – CHEMICAL SPRAYING ACTIVITIES LIABILITY INSURANCE -----

<i>Insuring Agreements</i>	<i>Indemnification Limit For Covered Claims</i>	<i>Defense Cost Limit for Covered Claims</i>	<i>Coverage Basis and Aggregate</i>
1. <i>Chemical Spraying Activities Liability CLAIMS MADE COVERAGE</i>	\$500,000	\$500,000	Per covered claim and/or in the aggregate for multiple claims.

INDEMNIFICATION LIMIT IN THE AGGREGATE FOR POLICY PERIOD SPECIFIED FOR SECTIONS VI, VII, VIII, XI AND XII COMBINED IS \$10,000,000.

DEFENSE COST LIMIT IN THE AGGREGATE FOR SECTION VI, VII, VIII, XI AND XII COMBINED IS \$5,000,000.

----- SECTION XII -ENDORSEMENTS -----

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Defense Cost Limit for All Liability Claims</i>	<i>Coverage Basis and/or Aggregate</i>	<i>Deductible</i>
1. Accidental Discharge of Pollutants Endorsement #1	\$100,000	Not applicable	Per covered occurrence and/or in the aggregate for multiple claims.	The first \$2,500 of any loss for Endorsement #1.
2. Nuclear, Chemical or Biological Endorsement #2	\$500,000	\$500,000	Per covered occurrence.	
3. Injunctive Relief Endorsement #3	\$0	\$50,000	Per covered occurrence and in the aggregate for multiple claims.	
4. Terrorism Insurance Physical Damage/Loss Endorsement #4	\$50,000,000	Not applicable	In the aggregate annually for all ICRMP Members Collectively.	The first \$10,000 of any loss for Endorsement #4.
5. Attorney Consultation Reimbursement Amendatory Endorsement #5	\$1,500 \$50,000	Not applicable	Per claim In the annual aggregate for all claims combined.	
6. Cyber Liability Endorsement #6 CLAIMS MADE COVERAGE Retroactive Date: July 1, 2015	\$1,000,000	Included in limit of indemnification	Per Covered Claim and \$4,000,000 in the aggregate for multiple claims.	The first \$2,500 of any loss for Endorsement #6.
7. Student Practicum Liability Endorsement #7 Retroactive Date: July 1, 2015	\$1,000,000	Included in limit of indemnification	Per Covered Claim and \$2,000,000 in the aggregate for multiple claims.	
8. Participating Provision ISBA Dividend Endorsement #8	\$0	Not applicable	Per policy period.	
9. Terrorism Liability Endorsement #9	\$500,000	\$500,000	Per Covered Occurrence and in the aggregate for multiple claims.	
10. Asbestos Remediation Endorsement #10	Included in Building Value as Listed in Schedule of Values	\$0	Per covered occurrence.	The first \$2,500 of any loss for Endorsement #10.
11. Active Shooter Endorsement #11	\$250,000	Not applicable	Per Covered Claim and in the aggregate for multiple claims.	

**NOTICE RE: INSURANCE GUARANTY ASSOCIATION**

As required by Article VIII, Section 4 of the Idaho Constitution and Idaho Code Section 41-3603(10), the ICRMP Program is not a participant in the Idaho Insurance Guaranty Association. As such, ICRMP Subscribers are not responsible for the costs of private *Insurer* insolvencies, nor are they or claimants against them entitled to any of the protections which participation in the Guaranty Association would provide. This notice is provided in cooperation with the Idaho Insurance Guaranty Association. For additional information concerning this notice, contact the ICRMP Executive Director at 1-800-336-1985.

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## SECTION I - GENERAL DEFINITIONS

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- A. Unless otherwise stated in a specific section, the following definitions are applicable to all sections of this policy.
1. “**Accident**” means an unexpected happening without intention or design.
  2. “**Aircraft**” means any machine capable of sustained atmospheric flight, including unmanned aerial vehicles.
  3. “**Damage(s)**” means monetary compensation to be awarded through judgment in a court proceeding or through settlement agreed to by **us** to compensate a claimant for harm suffered.
  4. “**First Aid**” means the rendering of emergency medical treatment at the time of an accident and only when other licensed medical professional care is not immediately available.
  4. “**First Made**” means when **you** first give written notice to **us** that a claim has been made against **you**, but not later than the end of this policy period or any extended reporting period **we** provide. Reports of incidents or circumstances made by **you** to **us** as part of risk management or loss control services shall not be considered notice of a claim.
  5. “**Fungi**” means any organism of the plant kingdom Fungi, which lacks chlorophyll and vascular tissue, including but not limited to, yeast, mold, mildew, rust, smut, mushrooms, spores, mycotoxins, or any other substances, odors, or byproducts arising out of the current or past presence of fungi.
  6. “**Medical Expenses**” means expenses for necessary medical, surgical, x-ray and dental services, ambulance, hospital, professional nursing and funeral services.
  7. “**Named Insured**” means the public entity identified in the declarations pages of this policy.
  8. “**Insured**” means:
    - a. The **Named Insured**,
    - b. Any elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor.
  9. “**Property Damage**” means physical damage to or destruction of tangible property, including loss of use resulting from such physical damage or destruction.
  10. “**Pollutant(s)**” means:
    - a. Those materials that can cause or threaten damage to human health or human welfare or cause or threaten damage, deterioration, loss of value, marketability or loss of use to property;
    - b. Any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, metals and waste, including debris and trash and materials to be recycled, reconditioned or reclaimed;
    - c. Bacteria, **fungi**, mold, mildew, virus, or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency or any other governing authority.
  11. “**Student**” means an individual who is formally enrolled in **your** school or college.

12. "**Terrorism**" means an act that:
- a. is dangerous to human life, property or infrastructure; and
  - b. results in damage within our coverage territory; and
  - c. is committed by an individual(s) as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States, state or local government by coercion.
13. "**We**", "**Us**" and "**Our**" means Idaho Counties Risk Management Program, Underwriters (ICRMP).
14. "**You**" and "**Your**" means the **named insured** identified in the declarations pages of this policy.

## SECTION II - GENERAL INSURING AGREEMENT

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- A. Unless otherwise stated in a specific section, the following Insuring Agreement applies to all Sections of this policy.
1. Idaho Counties Risk Management Program, Underwriters (ICRMP) agrees with the **named insured** as listed in the declarations pages of this policy made a part hereof, in consideration of the payment of the member contribution and subject to the limits of indemnification, Insuring Agreements, conditions, exclusions and other terms of this policy, as follows:
    - a. **We** will provide the insurance described in this policy and declarations pages if **you** have paid the member contribution and have complied with all policy provisions and conditions. This policy is divided into twelve Sections, some with multiple Insuring Agreements. The insurance set forth in this policy is subject to the indicated limits of indemnification or any other endorsements issued during this term.
    - b. All limits of indemnification will be subject to this policy period's per covered claim, accident or occurrence limit of Indemnification as stated in the declarations pages and annual aggregate limit of Indemnification for all sections as stated in the declarations pages.
- B. Certain provisions in this policy restrict coverage. The entire policy should be read carefully to determine **your** rights and duties, and to determine what is and is not covered.

## SECTION III - GENERAL CONDITIONS

- A. Unless otherwise stated in a specific Section, the following conditions are applicable to all Sections of this policy.
1. **Apportionment.** In the event a suit alleges a claim which is covered by the terms of this policy and a claim which is not covered by the terms of this Policy, **our** obligation for the costs of defense and payment of any award or settlement for damages shall be limited to only those sums related to a covered claim.
  2. **Assignment.** **Your** interests in this insurance may not be assigned.
  3. **Bankruptcy and Insolvency.** In the event of bankruptcy or insolvency of **you** or any entity comprising **you, we** shall not be relieved of the payment of any claim by **you** or against **you** or the liquidator, receiver or statutory successor of **you** under this policy without diminution because of **your** insolvency.
  4. **Termination of Insurance Coverage by Member Withdrawal or Expulsion.** This insurance may be terminated by **you** by sending a written request of withdrawal to **us**. The effective termination date will be the date of termination **you** request, if **you** are a Member in good standing, or the date **we** received **your** notice of withdrawal, whichever is later. This insurance is available only through faithful participation as a member of ICRMP. **You** may be expelled from ICRMP pursuant to the terms and conditions set forth in the Joint Powers Subscriber Agreement effective as of the date of this policy. If **you** are expelled from ICRMP, all insurance pursuant to this policy is terminated immediately upon transmittal of notice of expulsion, or otherwise as soon as allowed by law.
  5. **Concealment or Fraud.** This policy or any part hereof, is void if it was obtained by misrepresentation, fraud or concealment of material facts by **you** before or after loss.
  6. **Currency.** The member contribution and losses under this insurance are payable in currency of the United States.
  7. **Declarations.** By acceptance of this policy **you** agree that the declarations pages accurately indicate the coverages **you** have purchased.
  8. **Defense of Claims or Suit.** **We** may investigate or settle any covered claim or suit against **you**. **We** will provide a defense with counsel of **our** choice, at **our** expense, if **you** are sued for a covered claim.
    - a. With respect to claims or suits involving Section VI – General Liability Insurance, Section VII – Automobile Liability Insurance, Section VIII – Errors and Omissions Insurance, Section XI – Chemical Spraying Activities Liability Insurance, including any amendatory endorsements in Section XII, **our** defense costs incurred will not exceed \$3,000,000 per covered claim, subject to a \$5,000,000 limit in the aggregate for Sections VI, VII, VIII, XI and XII combined for all covered claims that are subject to this policy's policy period. The "per covered claim", "per covered occurrence", or "per covered accident" defense costs amount is the most **we** will incur regardless whether one or more of Sections VI, VII, VIII, XI and XII are involved in a single claim, and is in addition to the limits of indemnification shown in the declarations pages. **Our** obligation to defend any claim or suit ends when either:
      - (1) The amount of loss or **damages we** pay equals the limit(s) of indemnification afforded under this policy, or
      - (2) The defense costs incurred by **us** equal \$3,000,000 per covered claim or the defense costs incurred by **us** equal \$5,000,000 aggregate for the policy period.
  9. **Dispute Resolution Procedure.** **You** and **we** agree that it is in **our** mutual interest to have a dispute resolution procedure in order to address potential disputes and disagreements as to whether or not a claim is covered by the terms and conditions of this policy. **You** and **we** agree that the dispute resolution procedure as set out in the Joint Powers Subscriber Agreement currently in force as of the date of this policy shall apply to address any potential disputes and disagreements as to coverage.
    - a. Inapplicable to Certain Disputes and Disagreements:

- (1) These dispute resolution procedures do not apply to the appraisal condition set forth in the specific conditions applicable to the property Insuring Agreements in Section V of this policy, or to the arbitration condition set forth in the specific conditions applicable to the automobile liability Insuring Agreements set out in Section VI of this policy.
- (2) These dispute resolution procedures do not apply in any way to **our** decisions regarding terms of claim settlement, claim payment amount, or the claim investigation process.

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

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

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

**12. False or Fraudulent Claims.** If **you** make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this policy may become void and all claims hereunder may be forfeited.

**13. Inspections, Audit and Verification of Values.** **We** shall be permitted, but not obligated, to review or inspect **your** property, operations, records, and books, at any reasonable time. Neither **our** right to make inspections or conduct reviews, nor the making thereof, nor any report thereon, shall constitute an undertaking on behalf of or for the benefit of **you** or others, to determine or warrant that such property or operations are safe or that the values stated by **you** in **your** application are accurate. It is **your** responsibility to disclose accurate statements of value.

14. **Loss Payments.** When it has been determined that **we** are liable under this policy, **we** shall pay losses in excess of the stated deductible up to the limits of indemnification stated in the declarations pages. **Our** obligation to make loss payments shall arise as amounts owed are determined.
15. **Mitigation.** In the event of a loss covered under this policy, **you** must take all reasonable steps to prevent further loss or damage.
16. **No Benefit to Bailee.** **We** will not recognize any assignment or grant any coverage for the benefit of any person, entity, or organization holding, storing or transporting **your** property, regardless of any other provision of this policy.
17. **Non-stacking of Insurance Benefits.** No individual or entity entitled to coverage under any section of this policy shall recover duplicate coverages for the same elements of loss under other sections of this policy, or other policies written by **us**. Any claim which transcends more than one policy period shall be subject to the policy limits set forth in the declarations pages of the policy which covers the date of the earliest actionable event, which gives rise to the claim.
18. **Notice of Member Contribution or Coverage Changes.**
  - a. **We** will mail or deliver to the **named insured**, at the last known mailing address, written notice of the following for a subsequent year at least thirty (30) days prior to the expiration date of this policy:
    - (1) A total member contribution increase greater than ten percent (10%) which is the result of a comparable increase in member contribution rates.
    - (2) Changes in deductibles.
    - (3) Reductions in limits of indemnification.
    - (4) Reductions in coverage.
  - b. If **we** fail to provide at least thirty (30) day notice, the policy provided to **you** shall remain in effect until thirty (30) days after such notice is given or until the effective date of a replacement policy obtained by **you**, whichever occurs first.
  - c. For purposes of this provision, notice is considered given following date of mailing or delivery of the notice to the **named insured**. Proof of mailing of conditions of renewal to the last known mailing address of the **named insured** shall be sufficient proof of notice.
19. **Other Insurance.** If **you** have other insurance (whether primary, excess or contingent), against loss covered by this Insurance, **we** shall be liable, under the terms of this Insurance, only as excess of other valid and collectible insurance. Notwithstanding the foregoing, **you** may purchase insurance specifically in excess of this Insurance. Such excess insurance shall not be considered "other insurance" for purposes of this condition.
20. **Reporting Property on Your Schedule of Values.** Coverage is conditioned upon information being entered into the online ICRMP e-Agent website by **your** agent. It is the responsibility of the independent insurance agent to enter information into the online ICRMP e-Agent website. It is the responsibility of **you** to report the required information to **your** agent.
21. **Salvage.** Payments received from the sale of **your** damaged property as salvage may be applied toward the amount **we** have paid to replace **your** damaged property.
22. **Subrogation/Recovery/Right of Reimbursement.** If **we** make payment under this policy to **you** or on **your** behalf, and **you** or the person or entity for whom payment was made has a right to recover damages, **we** will be subrogated to that right. **You** must do whatever is necessary to enable **us** to exercise **our** rights and must do nothing before or after the loss to prejudice **our** rights. **We** may prosecute an action or pursue other lawful proceedings in **your** name for the recovery of these payments, and **you** must cooperate and assist **us** at **our** request. Recoveries received for payments **we** have paid on **your** behalf including both indemnity payments and expenses **we** have incurred in handling **your** claim, will be reimbursed on a pro-rata basis between **you** and **us**.

23. **Suit Against Us.** No action shall be brought against **us** by **you** unless there has been full compliance with all pertinent provisions of this policy and the ICRMP Joint Powers Subscriber Agreement. No one shall have any right to join **us** as a party to any action against an **insured**. No action may be brought against **us** by any party who does not qualify as **you** under this policy with respect to any liability insuring agreements.
24. **Terms of Policy to Conform to Statutes.** In the event any terms of this policy are determined to be in conflict with the statutes of the State of Idaho, they are hereby amended to conform to such statutes.
25. **Territory.** The insurance provided by this policy applies to any covered claim or suit filed and maintained within the fifty (50) states, including the District of Columbia, of the United States of America for all coverage sections.

## SECTION IV - GENERAL EXCLUSIONS

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- A. Unless otherwise stated, these exclusions are applicable to all Sections of this policy.
1. **Asbestos.** This policy does not cover, whole or in part, any claim, loss, cost or expense including bodily injury, personal injury, or **property damage**, arising directly or indirectly out of, resulting from, caused by or contributed to by:
    - a. The use of, sale of, installation of, removal of, abatement of, distribution of, containment of, or exposure to asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
    - b. The actual or threatened abatement, mitigation, removal or disposal of asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
    - c. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (a) and (b) above; or
    - d. Any obligation of the covered party to indemnify or contribute with any party in connection with subparagraphs (a), (b) or (c) above.
  2. **Civil and Criminal Penalties.** This policy does not cover any claim, loss or damage resulting from any civil penalties, criminal penalties, fines or obligations to pay for public services rendered where such obligation is imposed or provided for pursuant to any federal, state, or local law, statute, ordinance, or regulation, however characterized, except as expressly provided elsewhere, herein.
  3. **Claims by Members against Past or Present Public Officials.** This policy does not cover the interest of any past or present employee, elected official, or agent arising out of any claim for money **damages**, monetary reimbursement or specific performance brought against such employee, elected official or agent by the **named insured** by whom the public official, employee, elected official or agent was employed or retained. Also excluded are those claims brought by an elected official, or by one appointed to fill an elected position for a **named insured** against another official of the same **named insured**, or the **named insured** itself, arising out of a dispute or interpretation involving the relative governmental authority of the elected officials of the **named insured**.
  4. **Contractual Liability.** This policy does not cover any personal injury, **property damage**, or any other claimed loss, however characterized, arising directly or indirectly from:
    - a. The performance or nonperformance of terms of a contract, whether written, oral or implied.
    - b. The interests of the State of Idaho or the United States Government, or their officers, agents, employees, volunteers, officials or trustees, for their conduct and activities arising out of or in any way related to any written, oral or implied contract or agreement with **you**, or otherwise. Each governmental entity shall be responsible for its own conduct and activities under any contract.
  5. **Course and Scope.** This policy does not cover any personal injury or **property damage** resulting from an act or omission outside the course and scope of employment or any act performed with malice or criminal intent. This exclusion applies regardless of whether any **insured** is actually charged with, or convicted of, a crime.
  6. **Cyber Liability.** This policy does not cover any personal injury, bodily injury, **property damage** to others, wrongful acts, or notification costs, credit monitoring expenses, forensic expenses, loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data, public relations expenses or any other loss, costs or expenses arising directly or indirectly out of, resulting from, caused by or contributed to by losses related to computer connected access to and/or computer disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information, except for that data that is required to be disclosed under the Idaho Public Records Act.

7. **Fungi.** This policy does not cover, whole or in part, any claim, loss, cost or expense including bodily injury, personal injury, or **property damage**, arising directly or indirectly out of, resulting from, caused by or contributed to by:
  - a. Any fungus(i) or spore(s);
    - (1) Any solid, liquid, vapor, or gas produced by or arising out of any fungus(i) or spore(s);
    - (2) Any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(i) or spore(s);
    - (3) Any intrusion, leakage, or accumulation of water or any other liquid that contains, harbors, nurtures or acts as a medium for fungus(i) or spore(s);
    - (4) The actual or threatened abatement, mitigation, removal or disposal of fungus(i) or spore(s) or any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(i) or spore(s);
    - (5) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with subparagraphs (1) through (5) above; or
  - b. Any obligation to indemnify or contribute with any party in connection with subparagraphs (1) through (5) above. For the purpose of this exclusion fungus(i) includes, but is not limited to, any form or type of mold, mushroom or mildew and spore(s) include any reproductive body produced by or arising out of any fungus(i).
8. **Limits on Defense of Claims or Suit.** Notwithstanding any other provision of this Policy, **we** will have no duty to investigate or defend any claim, suit, dispute, disagreement or other proceeding seeking relief or redress in any form other than money damages, including but not limited to costs, fees, fines, penalties or expenses which any **insured** may become obligated to pay as a result of a consent decree, settlement, adverse judgment for declaratory relief or injunctive relief. Such denial of investigation or defense includes, but shall not be limited to any claim, suit, dispute, disagreement or other proceeding:
  - a. By or on behalf of any **named insured**, whether directly or derivatively, against:
    - (1.) Any other **named insured**; or
    - (2.) Any other federal, state or local governmental entity or politically subdivision.
  - b. By the spouse, child, parent, brother, or sister of any **insured** for consequential injury as a result of any injury to an **insured**; or
  - c. Involving any intergovernmental agreement(s) where any **named insured** is a party to the agreement(s).
9. **Intergovernmental Claims.** This policy does not cover any claim alleging loss or damage, arising or in any way related to a dispute or disagreement between an ICRMP member and another governmental entity, including another political subdivision, a state or the government of the United States involving any of the following:
  - a. Claims of loss or damage between an ICRMP member and another governmental entity wherein there has been no **accident** or allegation of actual bodily injury or property damage.
  - b. The respective authority of public agencies to use governmental powers, irrespective of the style or nature of such claim.
  - c. The respective duty of public agencies to use governmental powers, irrespective of the style or nature of such claim.
  - d. Intergovernmental disputes or disagreements concerning the exercise of powers or acceptance or assignment of duties by governmental entities to carry out public activities whether damages are claimed as a result of such dispute or disagreement, or not.

- e. Claims in any way related to allocation of financial responsibilities between or among public agencies.
10. **Lead.** This policy does not cover, whole or in part, any claim, loss, cost or expense including bodily injury, personal injury or **property damage** arising directly or indirectly out of, resulting from, caused by or contributed to by lead as described in parts (a) through (d) below:
- a. Bodily injury, **property damage** or personal injury arising out of, resulting from, caused by or contributed to by the toxic or pathological properties of lead, lead compounds or lead contained in any materials;
  - b. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
  - c. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (a) or (b) above; or
  - d. Any obligation to share damages with or repay someone else who must pay damages in connection with parts (a), (b) or (c) above.
11. **Nuclear, Chemical and Biological Incident.** This policy does not cover any personal injury, bodily injury or **property damage**, or other type of damages or claims arising directly or indirectly from:
- a. Nuclear detonation, reaction, radiation, radioactive contamination or hazardous properties of nuclear material of any type, however caused or characterized, including any loss or damage by fire resulting therefrom;
  - b. The dispersal, application or release of, or exposure to, chemical or biological materials or agents that are harmful to property or human health, whether controlled or uncontrolled, or due to any act or condition incidental to any of the foregoing, whether such loss be proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by, any physical loss or damage insured against by this policy, however such dispersal, application, release or exposure may have been caused.
12. **Pollution.** This is an absolute pollution exclusion. It is the intention of **you** and **we** that there is absolutely no coverage arising out of or relating to **pollutants**, however characterized or defined. This policy does not cover any injury, loss, damage, costs, fines, penalties, or expenses of any kind directly or indirectly arising out of the actual, alleged or threatened existence, discharge, dispersal, release or escape of **pollutants** or negligence in any way related thereto:
- a. At or from premises **you** now, or in the past, have owned, rented, or occupied, including but not limited to premises that **you** have operated or managed as an involuntary possessor;
  - b. At or from any site or location used by or for **you** or others for the handling, storage, disposal, processing or treatment of waste at any time;
  - c. That at any time involves the transportation, handling, storage, treatment, disposal, or processing by or for **you** or any person or organization for whom **you** may be legally responsible;
    - (1) At or from any site or location on which **you** or any contractors or subcontractors working directly or indirectly on **your** behalf are performing operations;
    - (2) If the **pollutants** are brought on or to the site or location in connection with such operations;
    - (3) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **pollutants**;
  - d. Whether caused or alleged to have been caused by the **named insured** or any other person, entity, or third-party, however characterized;

- e. Arising out of any direction, request, or order of any governmental agency, court of law, or other authority, that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**, including any and all costs or attorney's fees associated therewith;
  - f. Arising out of the failure of the **named insured** to prevent or regulate **pollutants** generated or caused by any other person, entity, or third-party, however characterized.
  - g. This exclusion shall not apply to tear gas or mace as applied by law enforcement personnel within the scope of their duties.
13. **Punitive Damages.** This policy does not cover any claim, loss, accident or damage for exemplary or punitive **damages**, however characterized.
14. **Silica.** This policy does not cover whole or in part, any claim, loss, cost or expense including bodily injury, personal injury or **property damage** arising directly or indirectly out of, resulting from, caused by or contributed to silica as described in paragraphs (a) and (b) below:
- a. Bodily injury, **property damage**, or personal injury arising out of, resulting from, caused by, or contributed to by silica, exposure to silica or the use of silica; except for road maintenance applications or operations.
  - b. Any damages or any loss, cost or expense arising out of any
    - (1) claim or suit by or on behalf of any governmental authority or any other alleged responsible party because of, or
    - (2) request, demand, order or statutory or regulatory requirement that any covered party or any other person or entity should be, or should be responsible for:
      - (i) Assessing the presence, absence or amount or effects of silica;
      - (ii) Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, abating, disposing of or mitigating silica; or
      - (iii) Responding to silica in any way other than as described in (i) and (ii) above;
    - (3) supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with any of the paragraphs (1) or (2) above; or
    - (4) obligation to share damages with or repay someone else in connection with any of the paragraphs (1) or (2) above.
15. **Terrorism.** This policy does not cover any claim, loss, accident or damage arising directly or indirectly from, by, happening through, whether followed by fire or other perils as a consequence of acts of **terrorism**, whether certified as **terrorism** or not by the United States Federal Government.
16. **War or Civil Disturbance.** This policy does not cover any claim, loss, accident or damage arising directly or indirectly from, by, happening through or as a consequence of war, invasion, acts of foreign enemies, any weapon of war employing atomic fission or radioactive force, whether in time of peace or war, hostilities, whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority unless such acts of destruction by order of civil authority are at the time of and for the purpose of preventing spread of fire; or claims or liability arising directly or indirectly from nuclear fission, nuclear fusion or radioactive contamination.

## SECTION V - PROPERTY INSURANCE

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### A. Insuring Agreements Applicable to Property Insurance:

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

### B. Definitions Applicable to Property Insuring Agreements:

1. "**Actual Cash Value**" means the cost of replacing damaged or destroyed property with comparable new property, minus depreciation and obsolescence.
2. "**Automobile**" means a motorized land vehicle principally licensed and designed for travel on public roads. "**Automobile**" does not include "**mobile equipment**".
3. "**Computer System**" means a system of computer hardware, software, and associated electronic devices that **you** operate or own.
4. "**Covered Property**" means **your** buildings and structures, building contents, leasehold improvements, leased buildings and structures, buildings and structures in the course of construction as listed on the **schedule of values**. It also means owned **automobiles** and **mobile equipment** or personal property of others that are in **your** care, custody or control, but only for the portion in which **you** have an insurable interest at the time of the loss.
5. "**Earth Movement**" means any natural or man-made earth movement, earthquakes, seaquakes, shocks, tremors, seismic events, landslides, submarine landslides, avalanches, subsidence, sinkhole collapse, mud flow, rock fall, volcano, lava flow or any other similar earth movement, sinking, rising, or shifting.
6. "**Flood**" means a temporary condition of partial or complete inundation of normally dry land from:
  - a. The overflow of inland or tidal waters outside the normal watercourse or natural boundaries;
  - b. The overflow, release, rising, back-up, runoff or surge of surface water; or
  - c. The unusual or rapid accumulation or runoff of surface water from any source.
7. "**Functional Replacement Cost**" means the cost of replacing damaged property with similar property that will perform the same function but may not be identical to the damaged property.
8. "**Mobile Equipment**" means equipment that is on wheels or tracks and is not licensed or principally designed for travel on public roads and is self-propelled or specifically designed to be attached to or pulled by a vehicle such as a trailer or semi-trailer. It also includes watercraft fifty (50) feet and under in length.
9. "**Operational Disruption Expense**" means costs incurred by the **named insured** in order to continue as nearly as practicable the normal operation of **your** public entity immediately following a covered loss. This includes the loss of any income, net of expenses, incurred during the **period of restoration** of the operation of the public entity.
10. "**Period of Restoration**" means that period of time that begins with the date of the direct physical loss of or direct physical damage to **covered property** and ends with the date when such part of the **covered property** as has been lost or damaged could, with the exercise of due diligence or dispatch, be rebuilt, or replaced.
11. "**Replacement Cost**" means the cost to repair, rebuild or replace with new materials of like kind, size and quality, without deduction for depreciation.

12. “**Schedule of Values**” means those values identifying **covered property** as entered into the ICRMP e-Agent database by the member’s agent and kept on file with **us**.

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

1. **Appraisal.** If **you** and **we** fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser, and notify the other of the appraiser's identity within twenty-one (21) days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within fourteen (14) days, **you** or **we** can ask a district judge in the State of Idaho to select an umpire. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within fourteen (14) days, they shall submit their differences to the umpire. Written agreements signed by any two of these three shall set the amount of the loss within seven (7) days. Any such decision resulting from the appraisal process shall be final and binding upon **you** and **us**, and shall not be subject to judicial review or appeal, except upon a showing of fraud, misrepresentation or other undue means. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be shared equally by **you** and **us**.
2. **Automobiles and Mobile Equipment that are Leased or Rented.** **Automobiles** or **mobile equipment** that are temporarily leased or rented to an **insured**, for less than ninety (90) days, and used for official business, are covered under Insuring Agreement 2 and need not be identified on the **schedule of values**.
3. **Automobiles Owned by Employees or Authorized Volunteers.** **Automobiles** owned by employees or authorized volunteers of the **named insured** are provided secondary physical damage insurance while the **automobiles** are being used by the employee or authorized volunteers on official business of the **named insured**. Insurance provided by this condition shall be deemed secondary to the insurance of the employee or authorized volunteers' personal insurance, which shall be primary insurance. The intent of this special condition shall not be interpreted to extend insurance to **automobiles** owned by other public or private entities, which are made available to **you, your** employees or volunteers. For these non-owned **automobiles**, the terms and conditions already contained in this Section shall apply.
4. **Civil Authority.** Property which is insured under this Section is also covered against damage or destruction by civil authority during a conflagration and for the purpose of retarding the same; provided that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, revolution, rebellion, insurrection, **terrorism** or other hostilities or warlike operations.
5. **Debris Removal.** This Section covers up to 25% of the amount of damage to **covered property** otherwise payable for any one occurrence under Insuring Agreement 1 for the expenses of removing debris remaining after any loss thereby insured against, except that there shall be no liability for the expense of removal of any foundations, unless damaged by a covered accident.
6. **Earth Movement.** **Flood** as defined in this section, that would not have occurred but for an **earth movement** as described, shall be deemed to be proximately caused solely by **earth movement** regardless of any other cause or event that contributes concurrently or in any sequence to such **flood**, and consequently shall be considered **earth movement**.
7. **Flood.** When a loss is caused by **flood** under this Section, **we** will pay only that part of the loss that exceeds the applicable deductible amount. The deductible in regards to a loss caused by **flood** is as follows:
  - a. Flood Type A: The first \$25,000 of each loss for buildings listed in the **schedule of values** subject to the aggregate as expressed in the declaration pages of this policy. Flood Type A excludes structures located wholly or partially within Special Flood Hazard Areas (SFHA), or areas of 100-year flooding, as defined by the Federal Emergency Management Agency (FEMA).
  - b. Flood Type B: The first \$500,000 of each building and the first \$500,000 of the contents amount listed for each building in the **schedule of values** subject to the aggregate as expressed in the declaration pages of this policy. Flood Type B applies to structures located wholly or partially within Special Flood Hazard Areas (SFHA), or areas of 100-year flooding, as defined by the Federal Emergency Management Agency (FEMA).

8. **Inadvertently Omitted Property:** *We* will pay up to 50% of the repair or replacement for property inadvertently omitted from ***your schedule of values*** up to a per occurrence limit and annual aggregate limit of \$1,000,000, whichever is less.
9. **Landscaping Items.** *We* will pay for damage to outdoor trees, shrubs, plants and harvested crops as a result of an **accident**. The most *we* will pay in any one occurrence is \$25,000.
10. **Newly Acquired Property:** All newly acquired buildings shall be reported to **us** within one hundred and twenty (120) days in order for coverage to continue and shall be limited to \$10,000,000 until such time as reported to **us**, but no longer than one hundred and twenty (120) days after acquisition.
11. **Operational Disruption Expense.** *We* agree to pay **you**, or on **your** behalf, **operational disruption expenses** resulting from damage to **covered property** arising out of a covered loss under Insuring Agreement 1 during the **period of restoration**. The maximum amount *we* will pay for **operational disruption expenses**, for any one occurrence or in the aggregate for multiple occurrences is \$250,000 for damages involving actual interruption of the use of your computer system when caused by a covered loss, provided that the disruption is directly caused by damage to your computer system. The maximum amount *we* will pay for all other covered operational disruptions is \$2,500,000 for any one occurrence or in the aggregate for multiple occurrences.
12. **Ordinance Deficiency.** In the event of a covered loss, *we* shall be liable for additional cost not to exceed \$5,000,000 occasioned by the enforcement of any state or municipal law, ordinance or code, which necessitates repairing, rebuilding, or replacement of **covered property** to meet such requirements, provided such repairing, rebuilding or replacement is complete or commences and is continuing within twenty-four (24) months of the date of loss. If demolition is required to comply with such requirement, *we* shall be liable for such additional costs, except as provided in the debris removal provision above. The provisions of these conditions shall not, in any event, apply to increased costs due to the enforcement of compliance with pollution statutes, ordinances or laws, whether local, state or federal in nature. Any payment under this provision shall not serve to increase the limits of indemnification.
13. **Preservation of Property.** If it is necessary to move covered personal property from the described premises to preserve it from loss or damage, *we* will pay up to \$25,000 for direct physical loss or damage to that property while it is being moved or while temporarily stored at another location. *We* shall be liable for reasonable expenses incurred to minimize **your** loss, but any payment under this provision shall not serve to increase the limits of indemnification that would otherwise apply at the time and place of loss, nor shall such expenses exceed the amount by which the loss is reduced.
14. **Professional Fees.** This policy is extended to cover reasonable and necessary expenses incurred by **you** for architects, engineers, or other necessary design professionals who assist you in rebuilding from your loss under this section. Professional fees are limited to a maximum of \$1,000,000 per occurrence.
15. **Property in the Course of Construction.** New construction of buildings, including equipment, machinery, tools, materials or supplies intended for use in the construction of such property shall be covered up to \$1,000,000 for each building as listed per the **schedule of values**. Repairs or renovations of existing buildings or structures listed on the **schedule of values** and that **you** have an insurable interest in at the time of loss shall also be covered up to \$1,000,000.
16. **Property in Transit.** This Section covers **covered property**, while being transported by **you**, up to a per occurrence and/or in the aggregate limit of \$1,000,000 per policy period.
17. **Property of Others.** Employee or volunteer owned personal property located within **covered property** is covered up to a per occurrence limit of \$50,000 per **accident**. Coverage provided shall be secondary to any primary coverage available to employees or volunteers.
18. **Schedule of Values.** **Covered property** need not be identified in the **schedule of values** if the individual value of the item is less than \$100,000. It is **your** responsibility, working with **your** independent insurance agent, to make sure all **covered property** that is required to be listed and valued over \$100,000 is stated on **your schedule of values**.
19. **Valuable Papers and Records.** In the event of a covered loss under Insuring Agreement 1, *we* agree to pay **you**, or on **your** behalf, for direct accidental physical loss of or direct accidental physical damage to valuable papers and electronic data following damage to **covered property**. This condition applies to the costs to research,

replace, or restore records which exist on electronic or magnetic media for which duplicates do not exist. The maximum amount **we** will pay for any one occurrence or in the aggregate for multiple occurrences is \$500,000 to restore data lost by **you** for an actual interruption of the use of your computer system when caused by a covered loss. This includes retrieving, repairing, restoring or replacing any of your computer system or any other data media or media material or any other computer programs for which **you** are responsible provided the claim results from a network breach, malicious code or accidental damage to your computer system. The maximum amount we will pay for all other losses to valuable papers and records is \$1,000,000 for any one occurrence or in the aggregate for multiple occurrences.

## 20. Valuation of Loss.

- a. Buildings and structures— **We** shall not be liable for loss or damage in excess of 125% of the stated total value per location as reported in the **schedule of values**, which **you** have submitted to **us** in accordance with the conditions described below:
  - (1) If damage or destruction to **covered property** is not repaired, rebuilt or replaced on the same or another site within two (2) years after the loss or damage, **we** shall not be liable for more than the **actual cash value** as of the date of loss (ascertained with proper deduction for depreciation) of the property destroyed;
  - (2) **Covered property** that is vacant or unoccupied for more than one hundred and twenty (120) consecutive days, including the date of the loss will be covered only for damages caused by wind, fire, building collapse from wind or fire, or leakage from sprinkler pipes. A building is considered vacant or unoccupied when it does not contain enough property to conduct its customary business operations. However, it does not include any time when customary activities are suspended due to circumstances that are usual to the building's occupancy. We shall not be liable for more than the actual cash value for vacant property as of the date of loss (ascertained with proper deduction for depreciation) of the property destroyed;
  - (3) **Our** total liability for loss of property covered herein shall not exceed the least of the following:
    - (i) The cost to repair; or
    - (ii) The cost to rebuild or replace, calculated as of the date of the loss, on the same site, with materials that are functionally equivalent; or
    - (iii) The actual expenditure incurred in rebuilding, repairing or replacing on the same or another site.
- b. Building Contents -- at **replacement cost** of the damaged or destroyed **covered property**.
- c. **Automobile** and **mobile equipment** --not to exceed the **functional replacement cost**, for vehicles and mobile equipment up to a maximum of \$1,000,000 per item and no more than \$10,000,000 in the aggregate for multiple items while not in use.
- d. Stock in process -- at the value of raw material and labor expended plus the proper proportion of overhead charges.
- e. Finished goods manufactured by **you** -- at the regular cash-selling price at the location where the loss occurs, less all discounts and charges to which the property would have been subject had no loss occurred.
- f. Property of others -- (1) at the amount for which **you** are liable, but in no event to exceed the **replacement cost** value or (2) fine arts on display at the appraised value and included as contents or listed separately on the **schedule of values** up to the limits specified in the declaration pages.
- g. Leased buildings, leasehold improvements and betterments at **replacement cost**, if actually replaced within two (2) years after the loss or damage; if not replaced, at **actual cash value** on date of loss.
- h. Accounts, manuscripts, mechanical drawings and other records and documents not specifically excluded -- at value plus cost of transcribing.
- i. Fine arts -- at the appraised value of the article to a maximum of \$500,000 per occurrence or in the aggregate for multiple occurrences.

21. **Water Backup through Sewer or Drain.** We provide coverage for direct physical loss to **your** buildings and its related contents when damage is caused by water which backs up through sewers or drains, not related to a **flood**, up to a maximum of \$1,000,000 per occurrence or in the aggregate for multiple occurrences within the policy period.

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

1. **With Regard to all Property, we do not cover losses under the Property Insuring Agreements resulting directly or indirectly from:**
  - a. Loss or damage more specifically covered under any other Section of this policy.
  - b. Moths, vermin, termites, or other insects; inherent vice; latent defect; wear, tear or gradual deterioration; and contamination, rust, wet or dry rot, mold, dampness of atmosphere, acid rain, smog or variations of temperature.
  - c. Loss of use, delay, loss of markets or opportunity.
  - d. Breakdown or derangement of any machinery, unless an insured peril ensues, and then only for the actual loss or damage caused by such ensuing peril.
  - e. Electrical appliances, devices, fixtures or wiring caused by artificially generated electrical current, unless fire or explosion ensues, and then only for the actual loss or damage caused by such ensuing fire or explosion.
  - f. Inventory shortage, including mysterious disappearance or loss resulting from any kind of infidelity, dishonesty by **you** or any of **your** employees, whether alone or in collusion with others.
  - g. Any fraudulent, dishonest, or criminal act related to theft of cash, securities, or negotiable instruments, however described by any employee or authorized representative of an insured while acting alone or in collusion with others.
  - h. Any **claim** made under this Section arising directly or indirectly from **fungi**, mold, wet or dry rot and bacteria including **claims** for the cost to clean up, remove, remediate, detoxify, neutralize, or in any way respond to or assess the effects of any of the foregoing. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.
2. **With Regard to Buildings and Structures, we do not cover losses under the Property Insuring Agreements resulting directly or indirectly from:**
  - a. Settling, cracking, bulging, shrinkage or expansion of pavements, foundations, walls, floors, ceilings or roofs, unless one or more of the walls or roofs of the building or structure are physically broken and falls to a lower level or if damage is caused by a covered **accident**, or if damage to **covered property** is caused by **earthquake** or **flood**.
  - b. Extremes or changes of temperature (except to water piping or space heating equipment due to freezing) or changes in relative humidity, regardless of whether or not atmospheric except if damage to **covered property** is caused by **earthquake** or **flood**.
  - c. Any increase of loss due to interference with rebuilding, repairing, or replacing a building, or with the resumption or continuation of business.
  - d. Any increase of loss due to the suspension, lapse or cancellation of any lease or license, contract or order.
  - e. Loss or damage to property caused by or resulting from errors in design or testing of that property, except resultant physical loss or damage to other property insured by this Section.
  - f. The repair or replacement of faulty or defective workmanship, material, or construction, except resultant physical loss or damage to other property insured by this Section.

3. **With Regard to Property in Course of Construction, we do not cover losses under the Property Insuring Agreements resulting directly or indirectly from:**
- a. The repair or replacement of faulty or defective workmanship, material, or construction, except resultant physical loss or damage to other property insured by this Section.
  - b. Penalties for non-completion of or delay in completion of contract or non-compliance with contract conditions, nor for loss of use of occupancy, however caused.
4. **With Regard to Specific Property, we do not cover physical loss or physical damage to the following property:**
- a. All animals and birds, except service animals that are identified on **your schedule of values**. For those identified service animals, **our** liability for such loss shall not exceed the amount listed in the **schedule of values** or \$25,000, whichever is less, for injury, sickness or death.
  - b. Land and water.
  - c. **Aircraft**.
  - d. Watercraft over (fifty) (50) feet in length.
  - e. Retaining walls not constituting part of a building when loss is caused by ice or water pressure.
  - f. Underground mines and mining property located below the surface of the ground.
  - g. Any property undergoing insulation breakdown tests.
  - h. Money, notes or securities.
  - i. Jewelry, furs, precious metals or precious stones.
  - j. Dams, canals, ditches, retaining ponds and all liners or other membranes designed to separate, retain, or hold water, sewage, trash, dirt, debris or any other material.
  - k. Roadways, highways, streets, bridges, and guardrails, however characterized.
  - l. Underground pipes.
  - m. Any **mobile equipment, automobile**, watercraft or other property while participating in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity.
  - n. Overhead transmission and distribution lines, including wire, cables, poles, pylons, standards, towers or other supporting structures which may be attendant to the transmission and/or distribution of electrical power and/or telephone communications, but this exclusion shall not apply to such property which is located on or within one thousand (1,000) feet of **your** buildings as listed on the **schedule of values**.
  - o. Data transmission lines and conduit not contained within walls of **covered property**.

## SECTION VI -GENERAL LIABILITY INSURANCE

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

1. **General Liability.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** for **personal injury** or **property damage** which arise out of an **occurrence** during the policy period. This Insuring Agreement does not apply to Insuring Agreement 2, Sexual Molestation or Abuse Liability or Insuring Agreement 3, Educators Liability.
2. **Sexual Molestation or Abuse Liability. (Insuring Agreement 2 provides CLAIMS MADE coverage only.)** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums **you** become legally obligated to pay as **damages** because of any sexual molestation or abuse **bodily injury claim** which is **first made** in writing to **us** by **you** against an **insured** during this policy period, or any Extended Reporting Period **we** provide, arising out of any sexual molestation or abuse incident or a series of related sexual molestation or abuse incidents. This insurance applies to **bodily injury** only if:
  - a. The **bodily injury** is caused by a sexual molestation or abuse incident that takes place or a series of related sexual molestation or abuse incidents or victims that take place in the coverage territory as specified in the General Conditions Section of this policy; and
  - b. The **bodily injury** caused by a sexual molestation or abuse incident or a series of related sexual molestation or abuse incidents or victims did not first occur before the retroactive date, if any, shown in the declarations pages or after the end of this policy period; and
  - c. Subject to items a and b above, Insuring Agreement 2 will only apply if the first incident of sexual molestation or abuse **bodily injury** to the injured person takes place on or after the retroactive date and before the end of the policy period, regardless of the number of victims of sexual molestation or abuse, or locations where the sexual molestation or abuse takes place involving an injured person that take place over one or more policy periods while insured by **us** and whether such incidents of sexual molestation or abuse are committed by the same perpetrator or two or more perpetrators acting in concert, all such **bodily injury** to that injured person:
    - (1) Will be deemed to be **first made** to **us** in writing by **you** during the policy period when the first of such **claims** is made and will be considered a single **claim**, when arising out of the same incident or a series of related incidents or victims of sexual molestation or abuse **bodily injury**; and
    - (2) Will be subject to that policy period's per covered claim limit of Indemnification as stated in the declarations pages and annual aggregate limit of Indemnification for Sections VI, VII VIII, and XI and XII combined as stated in the declarations pages.
3. **Educators Liability. (Insuring Agreement 3 provides CLAIMS MADE coverage only.)** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums **you** become legally obligated to pay as **damages** because of a claim of a **failure to educate** which is **first made** in writing to **us** by **you** against **you** during this policy period, or any Extended Reporting Period **we** provide arising out of any claim of a **failure to educate**. We agree to provide a defense for any claim of **failure to educate**, whether or not money damages are claimed, up to the defense limits as set forth in the declaration pages. This insurance only applies to Educators Liability if the incident(s) did not occur before the retroactive date, if any, shown in the declarations pages or after the end of this policy period. This coverage is strictly limited to the payment of **damages** and defense costs. Any additional expenses or costs arising out of a negotiated education plan or similar new expense required to meet the educational needs of the claimant shall be the responsibility of the **named insured**.

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

1. "**Automobile**" means a motorized land vehicle, principally licensed and designed for travel on public roads.
2. "**Bodily Injury**" means physical injury to any person, including death, sexual molestation or abuse, and any mental anguish or mental suffering associated with or arising from such physical injury.
3. "**Claim**" means a **suit** or demand made by or for the injured person for monetary damages because of alleged **bodily injury** caused by sexual molestation or abuse and applies only to Insuring Agreement 2.

4. **“Failure to Educate”** means a claim of:
  - a. A failure to educate;
  - b. Negligent instruction;
  - c. Inaccurate diagnosis or assessment of student needs;
  - d. Inaccurate or insufficient education or development plan;
  - e. Improper or excessive disciplinary action of a student.
  
5. **“Insured”** means
  - a. The ***Named Insured***;
  - b. Any elected or appointed official serving as a volunteer or employee of the ***named insured***, as well as any volunteer or employee of the ***named insured*** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the ***named insured*** as an independent contractor;
  - c. Any volunteer groups, associations or similar organizations, but only with respect to their actions on behalf of ***you***.
  
6. **“Occurrence”** means an ***accident*** or a continuous or repeated exposure to conditions which result in ***personal injury*** or ***property damage*** during the policy period. All ***personal injury*** to one or more persons and/or ***property damage*** arising out of an ***accident*** or a continuous or repeated exposure to conditions shall be deemed one ***occurrence***.
  
7. **“Personal Injury”** means ***bodily injury***, mental anguish, shock, sickness, disease, disability, wrongful eviction, malicious prosecution, humiliation, invasion of rights of privacy, libel, slander or defamation of character, piracy and any infringement of copyright of property, erroneous service of civil papers, assault and battery and disparagement of property. As respects Insuring Agreement 1 only, ***personal injury*** shall also mean false arrest, false imprisonment, detention, unlawful discrimination and violation of civil rights arising out of law enforcement activities.
  
8. **“Premises”** means any real property or land possessed and controlled by ***you*** in ***your*** capacity as a possessor.

**C. Specific Conditions Applicable to General Liability Insuring Agreements:**

1. **Extended Reporting Periods.** Insuring Agreements 2 or 3 of this Section are conditioned as follows if this policy is cancelled or not renewed for any reason, other than for non-payment of member contribution or non-compliance with the terms and conditions of this policy:
  - a. If ***you*** are expelled from ICRMP, or have elected to withdraw from ICRMP and are in good standing as a Member, as set forth in Section III – General Conditions, Item 4, ***we*** will extend an Extended Reporting Period of thirty (30) days duration following immediately upon the effective date of expulsion or withdrawal, to apply to any sexual molestation or abuse ***bodily injury claim*** which is ***first made*** against ***you*** in writing to ***us*** but only by reason of a sexual molestation ***bodily injury*** which commences and was sustained on or after the retroactive date set forth in the declarations pages and prior to the effective date of this policy’s cancellation or termination, and which is otherwise afforded by Insuring Agreement 2 of this Section.
  - b. If, however, this policy is immediately succeeded by similar claims-made insurance policy with any ***Insurer***, in which the retroactive date is the same as or earlier than that shown in the declarations pages of this policy, the succeeding policy shall be deemed to be a replacement of this policy, and the Extended Reporting Period will not apply.
  - c. The Extended Reporting Period does not reinstate or increase the limit(s) of indemnification applicable to Insuring Agreements 2 or 3 of this Section. Once in effect, an Extended Reporting Period cannot be canceled.

2. **Garagekeeper's Liability.** Insuring Agreement 1 of this Section provides liability coverage to the **named insured** as bailee with respect to an **automobile** left in its custody and control on school grounds or on grounds remote from the school when used for vocational training; provided however, all requirements of the Insuring Agreement 1 of this Section are satisfied and will be sublimited to \$500,000 per occurrence.
3. **Hostile Fire Liability.** Insuring Agreement 1 of this Section provides for loss or damage arising out of heat, smoke, or fumes resulting from a hostile fire. For purposes of this specific condition, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be; provided however, all requirements of the Insuring Agreement 1 of this Section are satisfied.
4. **Host/Liquor Liability.** Insuring Agreement 1 of this Section provides liability coverage for actions resulting from the provision, sale or distribution of alcoholic beverages, or by reason of any local, state or federal liquor control laws; provided however, all requirements of the Insuring Agreement 1 of this Section are satisfied.
5. **Incidental Medical Liability.** Insuring Agreement 1 of this Section provide liability coverage for professional medical services rendered in the course and scope of delivering such services or during medically supervised training related thereto or which should have been rendered to any person or persons (other than employees of the **named insured** injured during the course of their employment) only by any of the following persons acting on behalf of the **named insured**:
  - a. Employed or volunteer emergency medical technicians (EMTs), paramedics or first responders.
  - b. Employed or volunteer, nurse practitioners, registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while employed by **you** and while acting within the scope of their duties and responsibilities serving **students** in the function as a school nurse.
  - c. Employed or volunteer athletic trainers while acting within the scope of their duties and responsibilities serving **students** in the function of an athletic trainer.
  - d. The distribution of medicines prescribed by a physician and provided by the **student's** parents and/or legal guardians while they are **students** at **your** school. Such distribution must be made by an employee of the school.
  - e. Any other **insured** providing **first aid**.
6. **Multiple Insureds, Claims or Claimants.** To the extent that coverage may be applicable to two or more Insuring Agreements in this section, inclusion herein of more than one **insured** or the making of more than one **claim** or one **occurrence** or the bringing of suits by more than one person or organization shall not operate to increase **our** limits of indemnification as stated in the declarations pages.
7. **Non-Stacking of Limits - Multiple Sections of this Policy or Multiple Insuring Agreements within this Section Involved in a Single Event.** If any **occurrence, accident, claim** or loss covered in whole or in part under this Section VI also constitutes:
  - a. A **claim** covered in whole or in part under Section VII; or
  - b. A **claim** covered in whole or in part under Section VIII, or;
  - c. A **claim** covered in whole or in part under Section XI; or
  - d. A **claim** in whole or in part under Section XII; or
  - e. Any combination of two or more of the coverage events listed in subparagraphs 7 a., b., c., and d. above, or any events subject to multiple insuring agreements within each Section, will be limited to coverage limits allowed by the Section with the higher limit for the per occurrence, per accident or per claim(s) limit(s) of indemnification as shown in the declarations pages, and its corresponding deductible. If the per occurrence, per accident and per claim(s) limit(s) of indemnification as shown in the declarations pages are equal, only one limit will still apply and it will be the limit of indemnification and its corresponding deductible, if any, applicable to the Section deemed by **us** to be providing the primary coverage for the claim.

#### **D. Exclusions Applicable to General Liability Insuring Agreements**

1. **With Respect to Insuring Agreements 1, 2, or 3, General Liability Insurance under this Section does not apply:**
  - a. To any **claim**, occurrence, accident, or loss more specifically covered under any other Section of this policy.
  - b. To **personal injury** or **property damage** arising from the ownership, maintenance or use, including loading and unloading, of watercraft over fifty (50) feet in length.
  - c. To **personal injury** or **property damage** resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **automobile**.
  - d. To **personal injury** or **property damage** resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **aircraft**, airfields, runways, hangars, buildings, or other properties in connection with aviation activities.
  - e. To **property damage** to property **you** own, rent or occupy; premises **you** sell, give away or have abandoned; property loaned to **you**; and personal property in **your** care, custody and control. This exclusion shall not apply to garagekeeper's liability, as provided in the specific conditions of this Section.
  - f. To any **claim** arising out of estimates of probable costs, or cost estimates being exceeded, or for faulty preparation of bid specifications or plans.
  - g. To any **damages** claimed for any loss, cost or expense incurred by **you** or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of **your** product, **your** work, or the impaired property if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition.
  - h. To any obligation for which **you** may be held liable under any workers' compensation, unemployment compensation, disability benefits law, employer's liability, or under any similar federal, state or local law, ordinance, rule or regulation, however characterized, as well as any claim or suit by a spouse, child, parent, or sibling of an **insured** as a consequence of **personal injury** to **you**.
  - i. To any **claim** of liability arising out of or in any way connected with the operation of the principles of eminent domain, condemnation proceedings, inverse condemnation, annexation, regulatory takings, land use regulation, or planning and zoning activities or proceedings, however any such matters may be characterized, whether such liability accrues directly against **you** or by virtue of any agreement entered into by or on **your** behalf.
  - j. To **personal injury** or medical expense caused by the following diseases: asbestosis, mesothelioma, emphysema, pneumoconiosis, pulmonary fibrosis, pleuritis, endothelioma, or to any lung disease or any ailment caused by, or aggravated by exposure to or inhalation, consumption or absorption of asbestos in any form.
  - k. To **personal injury** or **property damage** due to, or arising out of, the actual or alleged presence of asbestos in any form, including the costs of remedial investigations or feasibility studies, or to the costs of testing, monitoring, abatement, mitigation, cleaning, removal, or disposal of any property or substance; or **damages** arising out of any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with aforementioned; or obligations to share **damages** with or repay someone else who must pay **damages** in connection with the aforementioned.
  - l. To any **claim** relating to wrongful employment acts of the employment of any person, including threatened, actual or alleged discrimination or harassment.
  - m. To any investigatory, disciplinary or criminal proceeding against an **insured**, except that **we** may at our own option, associate counsel in the defense of any such investigatory, administrative or disciplinary proceeding. Should **we** elect to associate counsel, such election shall not constitute a waiver or estoppel of any rights **we** may have pursuant to the terms, conditions, exclusions, and limitations of this policy.

- n. To any obligation of a **named insured** to make payments pursuant to Idaho Code § 6-610A, which provides for the payment of defense costs on behalf of certain employees of governmental entities who are named as defendants in a criminal action.
- o. Except to the extent coverage is providing by Condition 5 above, Incidental Medical Liability, to any liability arising out of the rendering of or failure to render the following professional health care services:
  - (1) Medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of food or beverages in connection therewith; or
  - (2) Any professional medical service(s) by a physician, except supervisory physicians as defined by Idaho Code § 6-902A (2) (b), and only when performing those duties as outlined in Idaho Code § 6-902A (2) (b).; or
  - (3) Any professional medical service(s) by a physician's assistant, nurse practitioner or nurse; or
  - (4) Furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
  - (5) Service by any person as a member of a formal accreditation or similar professional board or committee of an **insured**, or as a person charged with the duty of executing directives of any such board or committee.
- p. To any **claim** involving miscalculation or legality of assessments, adjustments, disbursements or the collection of taxes, fees, licenses, however described.
- q. To any liability of any **insured** arising out of the rendering of or failure to render services as an officer or director, or other official of any organization, other than the **named insured**. This exclusion does not apply if an **insured** is serving at the direction of or on behalf of the **named insured**, and is acting within the scope of their duties as such.
- r. To the ownership, maintenance or use of a trampoline or mini-trampoline.

**2. With Respect to Insuring Agreement 1 or 2, General Liability Insurance under this Section does not apply to:**

- a. To any **claim** or suit for which the only monetary **damages** sought are costs of suit and/or attorney's fees.

**3. With Respect to Insuring Agreement 2, Sexual Molestation or Abuse Liability under this Section does not apply to:**

- a. Any sexual molestation or abuse **bodily injury claim**:
  - (1) Based upon, or arising out of, sexual molestation or abuse **bodily injury** which is the subject of any notice given under any policy or policies the term of which has or have expired prior to the inception date of this policy.
  - (2) Arising out of any sexual molestation or abuse **bodily injury** that takes place prior to the retro date of this policy.
  - (3) Caused by any **insured** who is found by a court of law to have committed a criminal act involving sexual molestation or abuse. However, **we** will pay covered **damages** the **named insured** becomes legally obligated to pay as a result of an employee's actions if such obligation is created pursuant to the Idaho Tort Claims Act, another state's similar law or federal law.

## SECTION VII – AUTOMOBILE LIABILITY INSURANCE

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### A. Automobile Liability Insuring Agreements:

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

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

1. "**Automobile**" means a motorized land vehicle, principally licensed and designed for travel on public roads and does not include **mobile equipment**.
2. "**Bodily Injury**" means physical injury, sickness or disease, including mental anguish or death resulting therefrom.
3. "**Insured**", means anyone operating or **occupying** an **insured automobile** with the permission of an **insured**.
4. "**Insured Automobile**" means an **automobile** owned by the **named insured** or a non-owned **automobile** while operated by an **insured** in the course and scope of their duties or such use that is otherwise authorized by the **named insured**.
5. "**Mobile Equipment**" means equipment that is on wheels or tracks and is not principally licensed and designed for travel on public roads and is self-propelled or specifically designed to be attached to or pulled by a vehicle, such as a trailer or semi-trailer and does not include **automobiles**.
6. "**Occupying**" with regard to Insuring Agreements 2 and 3 of this Section means an individual who, at the time of the **accident** is in physical contact with an **insured automobile**.
7. "**Proof of Loss**" means any written demand to recover **damages** for **bodily injury** pursuant to Insuring Agreements 2 and 3 of this Section.
8. "**Underinsured Automobile**" means an **automobile** for which the sum of liability limits of all applicable liability bonds or policies at the time of an **accident** is less than the limits of indemnification applicable to Insuring Agreement 3 of this Section.

9. "**Uninsured Automobile**" means an **automobile**:
- To which a **bodily injury** liability bond or policy does not apply at the time of the **accident**.
  - For which an insuring or bonding company denies coverage or has become insolvent.
  - Which is a hit-and-run **automobile** and neither the driver nor the owner can be identified. The hit-and-run **automobile** must come in contact with an **insured automobile**.

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

- With respect to Insuring Agreements 1, 2 and 3, Auto Liability Insurance under this Section has the following conditions:**
  - Automobiles Owned by Employees or Authorized Volunteers.** An **automobile** owned by an employee or authorized volunteer of the **named insured** is provided auto liability coverage by this Section while the **automobile** is being used by an employee or authorized volunteer on official business of the **named insured**. This policy shall be deemed secondary to the policy of the employee's or authorized volunteer's personal insurance, which is deemed to be primary insurance. The intent of this special condition shall not be interpreted to extend this policy to an **automobile** owned by other public or private entities, which are made available to the **named insured** or its employees. For these non-owned **automobiles**, the terms and conditions already contained in this policy shall apply
  - Limits of Indemnification.** **We** will not pay more than the applicable limits of indemnification shown in the declarations pages for the **damages** that result from any one **accident**.
  - Non-Duplication of Benefits.** There will be no duplication of payments under this Section for Insuring Agreements 1, 2 and 3, respectively, of this policy. Any amounts payable under these respective insuring agreements will be reduced by the amount of any advance payments.
  - Non-Stacking of Limits - Multiple Sections of this Policy or Multiple Insuring Agreements within this Section Involved in a Single Event.**
    - If any claim or loss covered in whole or in part under this Section VII also constitutes:
      - A **claim** covered in whole or in part under Section VI; or
      - A **claim**, covered in whole or in part under Section VIII; or
      - A **claim** covered in whole or in part under Section XI; or
      - A **claim** covered in whole or in part under Section XII; or
    - Any combination of two or more of the coverage events listed in subparagraphs d.(1), (a), (b), (c) and (d) above, or multiple insuring agreements within each Section, and then only the Section with the higher limits for the Per Occurrence, Per Accident or Per Claim(s) Limit(s) of Indemnification as shown in the Declarations Pages, and its corresponding deductible, if any, will apply toward paying the claim. If the Per Occurrence, Per Accident and Per Claim(s) Limit(s) of Indemnification as shown in the Declarations Pages are equal, only one limit will still apply and it will be the Limit of Indemnification and its corresponding deductible, if any, applicable to the Section deemed by **us** to be providing the primary coverage for the claim.
- With Respect to Insuring Agreement 2, Automobile Medical Payments under this Section has the following conditions:**
  - Examinations/Medical Reports.** The injured person may be required to take physical examinations by physicians **we** choose, as often as **we** reasonably require. **We** must be given authorization to obtain medical reports and other records pertinent to any such claim.

- b. **Proof of Loss.** As soon as possible, any person making a claim under this Insuring Agreement must give **us** written **proof of loss** as described in paragraph 5. f. below. It must include all details **we** may need to determine the amounts payable.
  - c. **Student Coverage.** Payments under this insuring agreement 2, may also be made to **students** who are being transported by an **insured automobile**.
5. **With Respect to Insuring Agreement 3, Uninsured Motorists or Underinsured Motorists under this Section has the following conditions:**
- a. **Arbitration.** If **we** and any person entitled to recover under Insuring Agreement 3 fail to agree on the amount of **damages** thereof, the amount shall be settled by arbitration. In that event, each party will select an arbitrator. The two arbitrators will then select a third arbitrator. If they cannot agree upon a third arbitrator within thirty (30) days, both parties can ask a district judge in the State of Idaho to select the third arbitrator. Each party will pay the expenses it incurs, and bear the expenses of the third arbitrator equally. Written decisions of any two arbitrators will determine the issues and will be binding. The arbitration will take place pursuant to the Uniform Arbitration Act, Idaho Code Title 7, Chapter 9, unless both parties agree otherwise. Attorney fees and fees paid to medical and other expert witnesses as part of the arbitration proceeding will not be considered arbitration expenses. These costs and expenses will be paid by the party incurring them.
  - b. **Hit-and-Run Accident.** At **our** request, **you** shall make available for inspection any **automobile** which any **insured** was **occupying** at the time of a hit-and-run **accident**. **You** must also notify a law enforcement agency within twenty-four (24) hours of any hit-and-run **accident**. **You** must also notify **us** of any such hit-and-run **accident** within seven (7) days of any such **accident**. Failure to provide such notice shall be deemed a material and prejudicial breach of this Insuring Agreement 3, and render any insurance provided null and void.
  - c. **Prejudgment or Pre-Arbitration Award Interest.** Prejudgment or pre-arbitration award interest shall not begin to accrue until the date that the **proof of loss** is received by **us**.
  - d. **Medical Examinations.** The injured person may be required to take, at **our** expense, physical examinations by physicians **we** choose, as often as **we** reasonably require.
  - e. **Non-Binding Judgment.** No judgment resulting from a suit brought without **our** written consent, or which **we** are not a party to, is binding on **us**, either for determining the liability of the **uninsured motorists** or **underinsured automobile** or owner, or the amount of **damages** sustained.
  - f. **Proof of Loss.** A **proof of loss** must be served upon **us** as soon as practicable following any such **accident** causing the injury in order to determine the amounts payable. Failure to provide such notice shall be deemed a material and prejudicial breach of this Insuring Agreement, and render any insurance provided null and void. Each **proof of loss** presented shall accurately describe the conduct and circumstances which brought about the injury, state the time and place the injury occurred, state the names of all persons involved, and shall contain the amount of **damages** claimed, together with any and all records that exist pertaining to said injury. Said records shall consist of 1) all police reports pertaining to the **accident** and 2) complete medical and billing records from all institutions (hospitals, rehabilitation facilities, and nursing homes) and physician offices. A signed medical records release form must be provided with the **proof of loss** giving **us** authorization to obtain additional medical reports and other records pertinent to any such loss.

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

1. **With respect to Insuring Agreements 1, 2 and 3, Auto Liability Insurance under this Section does not apply:**
- a. To any **claim** or loss more specifically covered under any other Section of this policy.
  - b. To any claim of **bodily injury** sustained by any person, including an **insured**, engaged in the maintenance or repair of an **insured automobile**.
  - c. To any **claim** that directly or indirectly benefits any worker's compensation or disability benefits insurer.
  - d. To any **claim** arising out of the operation of **mobile equipment**.

- e. To any person or organization, or to any agent or employee thereof, operating an automobile sales agency, repair shop, service station, storage garage or public parking place, with respect to any **accident** arising out of the operation thereof.
  - f. To any employee with respect to injury to or sickness, disease or death of another employee of the same employer injured in the course of such employment in an **accident** arising out of the maintenance or use of the **automobile** in the business of such employer.
  - g. With respect to any hired **automobile**, to the owner or a lessee thereof, other than the **named insured**, nor to any agent or employee or such owner or lessee.
2. **With Respect to Insuring Agreement 1, Auto Liability Insurance under this Section does not apply:**
- a. **Property damage** to property rented to, used by, or in the care, custody or control of any **insured**.
  - b. To **bodily injury** to any **insured** arising out of or in the course of employment.
  - c. To any liability for indemnity or contribution brought by any party for **bodily injury** or **property damage** sustained by any **insured**.
3. **With Respect to Insuring Agreement 2, Auto Medical Payments under this Section does not apply:**
- a. To any **bodily injury** arising out of or resulting from the use of an **automobile** not insured by **us**.
  - b. To any **bodily injury** arising out of or resulting from the operation of an **insured automobile** while being used for hire or for a fee with authorization for such use.
  - c. For **bodily injury** to anyone eligible to receive benefits which are either provided, or are required to be provided, under any worker's compensation, occupational disease, or similar disability law.
  - d. To prisoners, inmates, or any other category of persons being detained by an **insured** while being transported by **you**.
4. **With Respect to Insuring Agreement 3, Uninsured/Underinsured Motorists Insurance under this Section does not apply:**
- a. To any **insured** who enters into a settlement with a third party without **our** written consent.
  - b. To any **bodily injury** resulting from or arising out of the use of an **automobile** owned by **you** and not insured by **us**.

## SECTION VIII - ERRORS AND OMISSIONS INSURANCE

### ALL INSURING AGREEMENTS ARE CLAIMS MADE ONLY

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#### A. Errors and Omissions Insuring Agreements:

1. **Errors and Omissions Liability.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** because of any **claim** against an **insured** which is **first made** in writing to **us** by **you** during this policy period, or any Extended Reporting Period **we** provide, arising out of any **wrongful act** by an **insured**.
2. **Employee Benefit Liability.** We agree, subject to conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** because of a **claim** against an **insured** which is **first made** in writing to **us** by **you** during this Policy Period, or any Extended Reporting Period **we** provide, resulting from **wrongful acts** in the **administration** of the **named insured's employee benefit program**.
3. **Employment Practices Liability.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** for any **claim** by or on behalf of a volunteer, employee, former employee, or applicant for employment which is **first made** against an **insured** in writing to **us** by **you** during this Policy Period or any Extended Reporting Period **we** provide, arising out of any **wrongful employment practice** by an **insured**.

#### B. Definitions Applicable to Errors and Omissions Insuring Agreements:

1. "Administration" means:
  - a. Providing information to employees, including their dependents and beneficiaries, with respect to eligibility for any **employee benefit program**;
  - b. Handling of records in connection with the **employee benefit program**; or
  - c. Effecting, continuing or terminating any employee participation in any **employee benefit program**.
  - d. **Administration** does not mean **your** decision to not offer a particular benefit, plan or program unless that particular benefit is required by law.
2. "Bodily Injury" means physical injury to any person, including death and any mental anguish or mental suffering associated with or arising from such physical injury. **Bodily Injury** does not include sexual molestation.
3. "Claim" means:
  - a. For Insuring Agreements 1 and 2, a demand received by **you** for money **damages** alleging a **wrongful act** of a tortious nature by any **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees.
  - b. For Insuring Agreement 3, a demand received by **you** for money **damages** alleging a **wrongful employment practice** of a tortious nature by any **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees. A **claim** shall include complaints filed with the Idaho Human Rights Commission (IHRC) and the Equal Employment Opportunities Commission (EEOC). A **claim** also includes employment contract claims premised upon implied employment contracts.
4. "Discrimination" means any actual or alleged:
  - a. Violation of any employment discrimination law; or
  - b. Disparate treatment of, or the failure or refusal to hire a person because he or she is or claims to be a member of a class which is or is alleged to be legally protected.

5. **"Employee Benefit Program"** means group life insurance, group accident or health insurance, or group dental, vision and hearing plans, retirement, profit sharing, unemployment insurance, or any other benefit provided that no one other than an employee of the **Named Insured** may subscribe to such insurance or plans and such benefits are made generally available to those employees who satisfy the plan's eligibility requirements.
6. **"Employment Sexual Harassment"** means any actual or alleged unwelcome sexual advances, requests for sexual favors or any other conduct of a sexual nature which:
  - a. Is made as a term or condition of a person's employment or advancement; or
  - b. The submission to or rejection of is used as a basis for decisions affecting that person or the purpose or effect of creating an intimidating, hostile or offensive work environment.
7. **"Employment Harassment "** means any actual or alleged harassment, other than **Employment Sexual Harassment**, which creates a work environment that interferes with job performance, or creates an intimidating, hostile or offensive work environment.
8. **"Insured"** means:
  - a. The **Named Insured**,
  - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor.
9. **"Personal Injury"** means **bodily injury**, mental anguish, shock, sickness, disease, disability, wrongful eviction, malicious prosecution, humiliation, invasion of rights of privacy, libel, slander or defamation of character, piracy and any infringement of copyright of property, erroneous service of civil papers, assault and battery and disparagement of property.
10. **"Retaliation"** means any actual or alleged wrongful termination or other adverse employment action by any **insured** against a person or persons on account of:
  - a. Assistance, testimony or cooperation with a proceeding or investigation regarding alleged violations of law.
  - b. Exercise or attempted exercise of rights protected by law;
  - c. Disclosure or threat to disclose to a superior or to any governmental agency alleged violations of the law; or
  - d. Refusal to violate any law.
11. **"Wrongful Act"** means the actual or alleged negligent performance of a legal duty or responsibility or failure to perform a legal duty or responsibility, or any error, misstatement, act or omission respectively by **you**, in a tortious manner pursuant to the Idaho Tort Claims Act or unlawful violations of civil rights pursuant to Federal law arising out of public office or position. **Wrongful Act** is not a **wrongful employment practice**.
12. **"Wrongful Employment Practice"** means any actual or alleged employment-related act or omission in the form of one or more of the following and does not mean **wrongful act**:
  - a. **Discrimination**;
  - b. Employment-related libel, slander, defamation;
  - c. **Employment sexual harassment** or **employment harassment**;
  - d. Negligent hiring, supervision, training or retention.
  - e. **Retaliation**;

- f. Violation of the Family Medical Leave Act;
- g. Wrongful discipline, deprivation of career opportunity; or evaluation;
- h. Wrongful termination.

**C. Specific Conditions Applicable to Errors and Omissions Insuring Agreements:**

1. **Retroactive Date.** All *wrongful acts* or *wrongful employment practices* must take place on or after the applicable retroactive date, if any, shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made to us** in writing by **you** during the policy period or during any Extended Reporting Period **we** provide pursuant to the specific conditions outlined in this Section.
2. **Extended Reporting Periods.** All Insuring Agreements within this Section are conditioned as follows if this policy is cancelled or not renewed for any reason, other than non-payment of member contribution or non-compliance with the terms and conditions of this policy:
  - a. If **you** are expelled from ICRMP, or have elected to withdraw from ICRMP and are in good standing as a Member, as set forth in Section III – General Conditions, Item 4, **we** will extend an Extended Reporting Period of thirty (30) days duration following immediately upon the effective date of expulsion or withdrawal, to apply to a **claim** brought forth under this Section which is **first made** against **you** in writing to **us** but only by reason of a **wrongful act** or a **wrongful employment practice** which commences and was sustained on or after the retroactive date set forth in the declarations pages and prior to the effective date of this policy's cancellation or termination, and which is otherwise afforded by all Insuring Agreements of this Section.
  - b. If, however, this policy is immediately succeeded by a similar claims-made insurance policy with any Insurer, in which the retroactive date is the same as or earlier than that shown in the declarations pages of this policy, the succeeding policy shall be deemed to be a replacement of this policy, and the Extended Reporting Period will not apply.
  - c. The Extended Reporting Period does not reinstate or increase the limit(s) of indemnification applicable to any Insuring Agreements of this Section. Once in effect, an Extended Reporting Period cannot be canceled.
3. **Multiple Insureds, Claims or Claimants.** To the extent that coverage may be applicable to two or more Insuring Agreements in this section, inclusion herein of more than one **insured** or the making of more than one **claim** or the bringing of **suits** by more than one person or organization shall not operate to increase **our** limits of indemnification.
  - a. Two or more **claims** arising out of a single **wrongful act** or **wrongful employment practice** or series of related **wrongful acts** or **wrongful employment practices** shall be treated as a single **claim**.
  - b. All such **claims**, whenever made, shall be considered **first made** in writing by **you** to **us** during the policy period, or any Extended Reporting Period, in which the earliest **claim** arising out of such **wrongful act** or **wrongful employment practice** or related **wrongful acts** or **wrongful employment practices** was **first made** and all such **claims** shall be subject to the same limits of indemnification.
4. **Non-Stacking Of Limits - Multiple Sections of this Policy or Multiple Insuring Agreements within this Section Involved in a Single Event.** If any **wrongful act**, **wrongful employment practice**, **claim** or loss covered in whole or in part under this Section also constitutes:
  - a. A **claim** covered in whole or in part under Section VI; or
  - b. A **claim** covered in whole or in part under Section VII; or
  - c. A **claim** covered in whole or in part under Section XI; or
  - d. A **claim** covered in whole or in part under Section XII; or
  - e. Any combination of two or more of the coverage events listed in subparagraphs 4. a., b., c. and d. above, or multiple insuring agreements within each Section, then only the Section with the higher limits

for the per occurrence, per accident or per claim(s) limit(s) of indemnification as shown in the declarations pages, and its corresponding deductible, if any, will apply toward paying the claim. If the per occurrence, per accident and per claim(s) limit(s) of indemnification as shown in the declarations pages are equal, only one limit will still apply and it will be the limit of indemnification and its corresponding deductible, if any, applicable to the Section deemed by **us** to be providing the primary policy for the claim.

**D. Exclusions Applicable to Errors and Omissions Insuring Agreements:**

**1. The Errors and Omissions Insuring Agreements 1, 2 and 3 do not cover any claim:**

- a. More specifically covered under any other Section of this policy.
- b. Based upon or attributable to the rendering or failure to render any opinion, treatment, consultation or service, if such opinion, treatment, consultation or service was rendered or failed to have been rendered while any **insured** was engaged in any activity for which they received compensation from any source other than as a public entity or an employee of a public entity.
- c. Arising out of the failure to supply water, electrical power, fuel, or any other utilities.
- d. For which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a **claim** under any policy or policies, the term of which has commenced prior to the inception date of this policy, or from a **wrongful act** or **wrongful employment practice** which occurred prior to the applicable retroactive date set forth in the declarations pages of this policy.
- e. Resulting from a continuing **wrongful act** or **wrongful employment practice** which commences prior to the applicable retroactive date set forth in the declarations pages of this policy.
- f. Arising out of law enforcement activities or the performance of law enforcement duties.
- g. Obligating of a **named insured** to make payments pursuant to Idaho Code § 6-610A, which provides for the payment of defense costs on behalf of certain employees of governmental entities who are named as defendants in a criminal proceeding.
- h. Of liability arising out of or in any way connected with the operation of the principles of eminent domain, condemnation proceedings, inverse condemnation, annexation, regulatory taking, land use regulation or planning and zoning activities or proceedings, however characterized, whether such liability accrues directly against **you** or by virtue of any agreement entered into by or on **your** behalf.
- i. For back wages or legal penalties to which an employee is lawfully entitled for work performed, including any claim for wages, damages, liquidated damages or any other form of compensation, however characterized, pursuant to, or derived in any way, from an employer's responsibility to comply with the Fair Labor Standards Act or other state or federal statute directing the manner or amount of payment of compensation to employees.
- j. Involving miscalculation or legality of assessments, adjustments, disbursements, fees, licenses or the collection of taxes, fines, penalties, including those imposed under the Internal Revenue Code or any state or local law, however described.
- k. For any **claim** where the alleged harm for which compensation is sought derives from performance or nonperformance of terms of a contract, concerns the measure of performance or payment related to contract performance, derives from fines, penalties or administrative sanctions imposed by a governmental agency, or is generated by intergovernmental determination, calculation, handling or allocation of funds according to the law. The **claims** for which this Section provides defense and indemnification must arise out of conduct of a tortious nature or be premised upon allegations of unlawful violation of civil rights pursuant to state or federal law.
- l. Arising directly or indirectly out of the failure of any investment in or by any **employee insurance benefit program** or any other employee benefit program, including but not limited to stocks, bonds, or mutual

funds to perform as represented by an **insured** or by any party authorized by an **insured** to offer benefits to employees.

- m. For errors in providing information on past performance of investment vehicles or advice given by an **insured** to participate or not to participate in or by any **employee insurance benefit program** or any other employee benefit program.
- n. To **personal injury** or **property damage** resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **aircraft**, airfields, runways, hangars, buildings, or other properties in connection with aviation activities.

2. **The Errors and Omissions Insuring Agreements 1 and 2 do not cover any claim:**

- a. Arising directly or indirectly out of the negligence, financial failure or breach of contract by any health or employee benefit provider that the **named insured** contracts with to provide employee benefits.
- b. To any employee insurance benefit liability **claim** based upon an **insured's** failure to comply with any law concerning worker's compensation, unemployment insurance, social security, or disability benefits.
- c. To loss arising out of an insufficiency of funds to meet any obligations under any plan included in the employee medical insurance benefit program.
- d. To any employee insurance benefit liability **claim** for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the **insured**, from the applicable funds accrued or other collectible insurance.
- e. For **bodily injury, personal injury, or property damage**.
- f. Arising out of estimates of probable costs, or cost estimates being exceeded, or for faulty preparation of bid specifications or plans.

## SECTION IX - CRIME INSURANCE

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### A. Insuring Agreements Applicable to Crime Insurance:

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

### B. Definitions Applicable to Crime Insuring Agreements:

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

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

1. **All Incidents - One Loss.** All losses incidental to an actual or attempted fraudulent, dishonest, or criminal act, or series of related acts, whether committed by one or more persons, shall be deemed one loss. The applicable limits of indemnification stated in the declarations pages are the total limit of **our** liability with respect to all losses arising out of any one occurrence.
2. **Policy in Lieu of Public Officials Surety Bond.** Insurance under this Section shall be deemed to provide insurance compliant with provisions of Idaho Code §59-804 for the terms and responsibilities of public officials or **employees** to the extent required by the Idaho Code bonding requirements for public officials.
3. **Limits of Indemnification for Multiple Policy Periods/Prorata.** **Our** total liability is limited to the total amount specified in the declarations pages of this policy for all losses caused by any **employee** or in which such **employee** is concerned or implicated. Regardless of the number of years this policy shall continue in force and the number of member contributions which shall be payable or paid, the limits of indemnification specified in the declarations pages shall not be cumulative from year to year or period to period. The maximum total loss paid to any **named insured** shall not exceed the limits of indemnification stated in the policy year during which a claim is made.

4. **Loss Caused by Unidentified Employees.** If a loss is alleged to have been caused by the fraud or dishonesty of any one or more **employees**, and the **named insured** shall be unable to designate the specific **employee** or **employees** causing such loss, the **named insured** shall nevertheless have the benefit of Insuring Agreement 1, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more **employees** of the **named insured**.
5. **Ownership Interest.** Money, securities, and other financial instruments may be covered by this policy whether owned by the **named insured** or held by the **named insured** in its care, custody, or control.
6. **Recoveries.** To the extent that a loss of the **named insured** exceeds the limits of indemnification applicable to this Section, the **named insured** shall be entitled to recoveries from third parties until the **named insured** is fully reimbursed. Any remaining recovery shall be paid to **us**. Audit fees incurred by **us** toward establishing **your** loss values will be deducted from the ultimate net loss.

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

**1. The Crime Insuring Agreements 1, 2 and 3 do not cover:**

- a. Any claim or loss more specifically covered under any other Section of this policy.
- b. Any claim for the potential income or increase including, but not limited to, interest and dividends, not realized by the **named insured** because of a loss covered under this Section.
- c. Any claim for costs, fees, or other expenses incurred by the **named insured** in establishing the existence of, or amount of loss, covered under this Section.
- d. Any claim for the funds collected or retained for any state or Federal agency pursuant to requirements established by law or pursuant to a mutual agreement.
- e. Any loss claimed involving conduct more than five (5) years prior to the date of the claim.

**2. The Crime Insuring Agreement 1 does not cover:**

- a. Any loss, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation.
- b. Any claim of loss concerning any fiscal year wherein financial records of the political subdivision have not been timely audited by a certified public accountant in accordance with the requirements of Idaho Code §67-450B or §67-450C, as appropriate.

**3. The Crime Insuring Agreement 2 does not cover:**

- a. Any claim or loss due to any fraudulent, dishonest, or criminal act by any **employee**, director, trustee, or authorized representative of the **named insured**, while working or otherwise, and whether acting alone or in collusion with others.
- b. Any claim or loss due to:
  - (1) The giving or surrendering of money or securities in any exchange or purchase;
  - (2) Accounting or arithmetical errors or omissions; or
  - (3) Manuscripts, books of account, or records.
- c. Any claim or loss of money contained in coin operated amusement devices or vending machines, unless the amount of money deposited within the device or machine is recorded by a continuous recording instrument therein.

4. **The Crime Insuring Agreement 3 does not cover:**

- a. Any claim or loss due to any fraudulent, dishonest, or criminal act by any **employee**, director, trustee, or authorized representative of the **named insured**, while working or otherwise, and whether acting alone or in collusion with others.
- b. Any claim or loss due to:
  - (1) The giving or surrendering of money or securities in any exchange or purchase;
  - (2) Accounting or arithmetical errors or omissions; or
  - (3) Manuscripts, books of account, or records.
- c. Any insured claim or loss of money, securities, and other financial instruments of the **named insured** while in the custody of any armored motor vehicle company, except as excess policy over amounts recovered or received by the **named insured** under:
  - (1) The contract of the **named insured** with said armored motor vehicle company;
  - (2) Insurance carried by said armored motor vehicle company for the benefit of users of its services; and
  - (3) All other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armored motor vehicle company's service.

## SECTION X – MACHINERY BREAKDOWN INSURANCE

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

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

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

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

- b. Does not mean or include:
  - (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
  - (2) Defects, erasures, errors, limitations or viruses in computer equipment and programs including the inability to recognize and process any date or time or provide instructions to **covered equipment**;
  - (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
  - (4) Damage to any vacuum tube, gas tube, or brush;
  - (5) Damage to any structure or foundation supporting the **covered equipment** or any of its parts;
  - (6) The functioning of any safety or protective device; or
  - (7) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.
- 2. **“Business Income”** means the:
  - a. Net income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses incurred, including payroll.
- 3. **“Business Income Actual Annual Value”** means the sum of the net income and continuing normal operating expenses incurred, including payroll that would have been earned had the **breakdown** not occurred.
- 4. **“Business Income Estimated Annual Value”** means the sum of the net income and continuing normal operating expenses incurred, including payroll as estimated by **you** in the most recent reported value on file with **us** via **your** agent as listed in **our** eAgent database.
- 5. **“Computer Equipment”** means:
  - a. **Your** programmable electronic equipment that is used to store, retrieve and process data; and
  - b. Associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission.
  - c. It does not include **data or media**.
- 6. **“Covered Cause of Loss”** means a **breakdown** to **covered equipment**.
- 7. **“Covered Equipment”**:
  - a. Means and includes any property built to operate under vacuum or pressure, other than weight of contents or used for the generation, transmission or utilization of energy.
  - b. Does not mean or include any:
    - (1) **Media**;
    - (2) Structure, foundation, cabinet or compartment;
    - (3) Insulating or refractory material;
    - (4) Equipment manufactured by **you** for sale;
    - (5) Catalyst;
    - (6) Sewer piping, underground vessels or piping, any piping forming a part of a sprinkler system or any water piping other than:
      - i. Boiler feed water piping
      - ii. Boiler condensate return piping, or
      - iii. Water piping forming a part of a refrigerating or air conditions system;
    - (7) Vehicle, aircraft, floating vessel including or any equipment mounted on such vehicle, aircraft or floating vessel; or
    - (8) Dragline, excavation, or construction equipment
- 8. **“Covered Property”** means **your buildings and structures, building contents, leasehold improvements, buildings and structures in the course of construction, automobiles and mobile equipment** listed on the **schedule of values**. It also means personal property of others that are in **your** care, custody or control, leased buildings and structures, but only for the portion which **you** occupy and in which **you** have an insurable interest at the time of the loss listed on the **schedule of values**. Items placed on the **schedule of values** will not be covered if excluded elsewhere by this policy any property that:
  - a. **You** own; or
  - b. Is in **your** care, custody or control and for which **you** are legally liable.

9. **"Data"** means:
  - a. Programmed and recorded material stored on **media**; and
  - b. Programming records used for electronic data processing, or electronically controlled equipment.
10. **"Extra Expense"** means the additional cost **you** incur to operate **your** business during the **period of restoration** over and above the cost that **you** normally would have incurred to operate the business during the same period had no **breakdown** occurred.
11. **"Hazardous Substance"** means any substance other than ammonia that has been declared to be hazardous to health by a government agency.
12. **"Media"** means electronic data processing or storage media such as films, tapes, discs, drums or cells.
13. **"One Breakdown"** means if an initial **breakdown** causes other **breakdowns**, all will be considered **one breakdown**. All **breakdowns** at any one premises that manifest themselves at the same time and are the direct result of the same cause will be considered **one breakdown**.
14. **"Period of Restoration"** means the period of time that:
  - a. Begins at the time of the **breakdown** or 24 hours before **we** receive notice of **breakdown** whichever is later; and
  - b. Ends (5) five consecutive days after the date when the damaged property at the premises described in the declarations pages of this policy is repaired or replaced with reasonable speed and similar quality.
15. **"Schedule of Values"** means those values identifying **covered property** as entered into the ICRMP e-Agent database by the member's agent and kept on file with **us**.
16. **"Stock"** means merchandise held in storage or for sale, raw materials, property in process or finished products including supplies used in their packing or shipping.

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

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

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

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

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

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

- a. The interruption is the direct result of a **breakdown** to **covered equipment** owned, operated or controlled by the local private or public utility or distributor that directly generates, transmits, distributes or provides utility services which **you** receive;

- b. The **covered equipment** is used to supply electric power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam to **your** premises; and
- c. The interruption of utility service to **your** premises lasts at least the consecutive period of time of twenty-four (24) hours. Once this waiting period is met, coverage will commence at the initial time of the interruption and will be subject to all applicable deductibles.

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

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

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

a. **We will pay for:**

- (1) The loss in value of the undamaged portion of the building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of undamaged parts of the same building or structure;
- (2) **Your** actual cost to demolish and clear the site of the undamaged parts of the same building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of such undamaged property; and
- (3) The increased cost actually and necessarily expended to:
  - (i) Repair or reconstruct the damaged or destroyed portions of the building or structure; and
  - (ii) Reconstruct or remodel the undamaged portion of that building or structure with buildings or structures of like materials, height, floor area, and style for like occupancy, whether or not demolition is required on:
    - (1) The same premises or on another premises if **you** so elect. However if **you** rebuild at another premises, the most **we** will pay is the increased cost of construction that **we** would have paid to rebuild at the same premises; or
    - (2) Another premise if the relocation is required by the ordinance or law. The most **we** will pay is the increased cost of construction at the new premises.

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

- (1) Demolition or site clearing until the undamaged portions of the buildings or structures are actually demolished;
- (2) Increase in loss until the damaged or destroyed buildings or structures are actually rebuilt or replaced and approved by the regulating government agency;
- (3) Loss due to any ordinance or law that:
  - (i) **You** were required to comply with before the loss, even if the building was undamaged; and
  - (ii) **You** failed to comply with;
- (4) Increase in the loss, excess of the amount required to meet the minimum requirement of any ordinance or law enforcement at the time of the **breakdown**; or
- (5) Increase in loss resulting from a substance declared to be hazardous to health or environment by any government agency.

c. **If:**

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

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

- a. No insurance is provided as a result of any error or unintentional omission by **you** in the reporting of values or the coverage **you** requested.
- b. It is a condition of this policy that such errors or unintentional omissions shall be reported and corrected when discovered. The policy member contribution will be adjusted accordingly to reflect the date the premises should have been added had no error or omission occurred.

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

1. **We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. The exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.**
  - a. Increase in loss from the enforcement of any ordinance, law, rule, regulation or ruling which restricts or regulates the repair, replacement, alteration, use, operation, construction, installation, clean-up or disposal of **covered property**.
  - b. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action;
  - c. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
  - d. Nuclear reaction or radiation, or radioactive contamination, however caused.
  - e. War, including undeclared or civil war; warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
  - f. Explosion (except from steam or centrifugal explosion);
  - g. Fire (including fire resulting from a **breakdown**); or water or other means used to extinguish a fire;
  - h. Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
  - i. Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse; or molten material;
  - j. Water damage resulting from a **breakdown**, unless otherwise shown as covered.
  - k. Depletion, deterioration, corrosion, erosion, or wear and tear, or other gradually developing conditions. But if loss or damage from a **breakdown** results, **we** will pay the resulting loss or damage;
  - l. Lightning; windstorm or hail, smoke; aircraft or vehicles; riot or civil commotion; vandalism; or sprinkler leakage;
  - m. A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or an insulation breakdown test of any type of electrical equipment;
  - n. A delay in, or an interruption of any business, manufacturing or processing activity except as provided by the **business income** and **extra expense**, and service interruption Insuring Agreements;

- o. With respect to **business income** and **extra expense**, and service interruption Insuring Agreements, the following additional exclusions shall apply:
  - (1) The business that would not or could not have been carried on if the **breakdown** had not occurred;
  - (2) **Your** failure to use due diligence and dispatch and all reasonable means to operate **your** business as nearly normal as practicable at the premises shown in the **schedule of values**; or
  - (3) The suspension, lapse or cancellation of a contract following a **breakdown** extending beyond the time business could have resumed if the contract had not lapsed, been suspended or canceled.
- p. Lack or excess of power, light, heat, steam or refrigeration except as provided by the **business income** and **extra expense**, and service interruption Insuring Agreements;
- q. With respect to Service Interruption Insuring Agreement, any loss resulting from the following additional causes of loss whether or not coverage for that cause of loss is provided by another policy **you** have:
  - (1) Acts of sabotage;
  - (2) Collapse;
  - (3) Deliberate act(s) of load shedding by the supplying utility;
  - (4) Freezing caused by cold weather;
  - (5) Impact of aircraft, missile or vehicle;
  - (6) Impact of objects falling from an aircraft or missile;
  - (7) Lightning;
  - (8) Riot, civil commotion or vandalism;
  - (9) Sinkhole collapse;
  - (10) Smoke; or
  - (11) Weight of snow, ice or sleet.
- r. Any indirect result of a **breakdown** to **covered equipment** except as provided by the **business income** and **extra expense**, perishable goods/spoilage damage and service interruption Insuring Agreements.
- s. Neglect by **you** to use all reasonable means to save and preserve **covered property** from further damage at and after the time of the loss.
- t. The most **we** will pay for any and all Insuring Agreements for loss or damage from any **one breakdown** is the applicable limits of indemnification shown in the declarations pages. Any payment made will not be increased if more than one **insured** is shown in the declarations pages. For each Insuring Agreement listed, if:
  - (1) A limit is shown in the declarations pages, the Limits of Indemnification is part of, not in addition to, the limit per **breakdown**.
  - (2) A limit is shown in the declarations pages, **we** will not pay more than the limit of indemnification for each such Insuring Agreement.
- u. For any **covered equipment** that is:
  - (1) Used solely to supply utility services to **your** premises; owned by a public or private utility; not in **your** care, custody or control and for which **you** are legally liable; and covered under this Section:
  - (2) The limit of indemnification for property damage stated in the declarations pages is deleted and replaced by the sum of one dollar.
- v. Unless a higher limit is shown in the declarations pages, the most **we** will pay for direct damage as a direct result of a **breakdown** to **covered equipment** is \$25,000 for each of the following. The limits are part of, not in addition to, the limits of indemnification for property damage or limit per breakdown.
  - (1) **Ammonia Contamination.** The spoilage to **covered property** contaminated by ammonia, including any salvage expense.
  - (2) **Consequential Loss.** The reduction in the value of undamaged stock parts of a product which becomes unmarketable. The reduction in value must be caused by a physical loss or damage to another part of the product.
  - (3) **Data and Media.** **Your** cost to research, replace or restore damaged **data** or **media** including the cost to reprogram instructions used in any **computer equipment**.

- (4) **Hazardous Substance.** Any additional expenses incurred by **you** for the clean-up, repair or replacement or disposal of **covered property** that is contaminated by a **hazardous substance**. As used here, additional expenses mean the additional cost incurred over and above the amount that **we** would have paid had no **hazardous substance** been involved with the loss. Ammonia is not considered to be a **hazardous substance** as respects this limitation. This applies despite the operation of the ordinance or law exclusion.
- (5) **Water Damage.** The damage to **covered property** by water including any salvage expenses, except no insurance applies to such damage resulting from leakage of a sprinkler system or domestic water piping.

## SECTION XI –CHEMICAL SPRAYING ACTIVITIES LIABILITY INSURANCE

### CLAIMS MADE COVERAGE ONLY

#### A. Insuring Agreements Applicable to Chemical Spraying Activities Liability Insurance:

1. **Chemical Spraying Activities Liability.** *We* agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** because of any **claim** for **personal injury** or **property damage** because of any **chemical spraying activities claim** which is **first made** in against an **insured** in writing to **us** by **you** during this policy period, or any extended reporting period **we** provide, arising out of an **occurrence** during this policy period on or after the retroactive date shown in the declarations pages of this policy.

#### B. Definitions Applicable to Chemical Spraying Activities Liability Insurance Endorsement:

1. **"Bodily Injury"** means physical injury to any person, including death, and any mental anguish or mental suffering associated with or arising from such physical injury.
2. **"Chemical Spraying Activities"** means the intended dispersal of herbicides, defoliants, insecticides or pesticides or other toxic materials approved by the federal government for the eradication of undesirable plant growth, insects or rodents and the mixing, loading, storage, transportation and disposal of such materials.
3. **"Claim"** means a demand received by **you** for money **damages** alleging a **wrongful act** of a tortious nature by an **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees.
4. **"Occurrence"** means an **accident** or a continuous or repeated exposure to **chemical spraying activities** which result in **personal injury** or **property damage** during the policy period and also first commences an was sustained on or after the retroactive date. All **personal injuries** to one or more persons and/or **property damage** arising out of an **accident** or a continuous or repeated exposure to conditions shall be deemed one **occurrence**.
5. **"Personal Injury"** means **bodily injury**, mental anguish, shock, sickness, disease, disability, wrongful eviction, malicious prosecution, discrimination, humiliation, invasion of rights of privacy, libel, slander or defamation of character, piracy and any infringement of copyright of property, erroneous service of civil papers, assault and battery and disparagement of property.
6. **"Wrongful Act"** means the negligent performance of a legal duty or responsibility or failure to perform a legal duty or responsibility, respectively, in a tortious manner pursuant to the Idaho Tort Claims Act or unlawful violations of civil rights pursuant to Federal law arising out of public office or position.

#### C. Specific Conditions to Chemical Spraying Activities Liability Insurance Endorsement:

1. **Exception to Absolute Pollution Exclusion.** The insurance afforded by this Endorsement constitutes an express exception to the Absolute Pollution Exclusion set forth in the General Exclusions Section IV of this policy. As an exception to such exclusion, this coverage stands only to pay legally required damages for **personal injury** or **property damage** not to exceed the Limits of Indemnification stated in the policy declarations, and not in any circumstances for natural resource damage claims made or penalties or fines imposed pursuant to state or Federal law.
2. **Extended Reporting Periods.** Insuring Agreement 1 of this Section is conditioned as follows if this policy is cancelled or not renewed for any reason, other than non-payment of member contribution or non-compliance with the terms and conditions of this policy:
  - a. If **you** are expelled from ICRMP, or have elected to withdraw from ICRMP and are in good standing as a Member, as set forth in Section III – General Conditions, Item 4, **we** will extend an Extended Reporting Period of thirty (30) days duration following immediately upon the effective date of expulsion or

withdrawal, to apply to any **personal injury** or **property damage claim** resulting from **chemical spraying activities** which is **first made** against an **insured** in writing by **you** to **us** which first commences and was sustained subsequent to the retroactive date set forth in the declarations pages and prior to the effective date of this policy's cancellation or termination, and which is otherwise afforded by Insuring Agreement 1 of this Section.

- b. If, however, this policy is immediately succeeded by similar claims-made insurance policy with any Insurer, in which the retroactive date is the same as or earlier than that shown in the declarations pages of this policy, the succeeding policy shall be deemed to be a replacement of this policy, and the extended reporting period will not apply.
  - c. The Extended Reporting Period does not reinstate or increase the limit(s) of indemnification applicable to Insuring Agreement 1 of this Section. Once in effect, an extended reporting period cannot be canceled.
3. **Multiple Insureds, Claims or Claimants.** Inclusion herein of more than one **insured** or the making of more than one **claim** or the bringing of suits by more than one person or organization shall not operate to increase **our** limits of indemnification. Two or more **claims** arising out of a single **occurrence** or series of related **occurrences** shall be treated as a single **occurrence**. All such **claims**, whenever made, shall be considered **first made** against an **insured** during the policy period or any extended reporting period, in which the earliest **claim** arising out of such **occurrence**, or series of related **occurrences**, was **first made** and all such **claims** shall be subject to the same limits of indemnification. It is the intent of this section not to extend coverage in any way in excess of the liability minimum established by the Idaho Tort Claims Act.
4. **Non-Stacking Of Limits - Multiple Sections of this Policy or Multiple Insuring Agreements within this Section Involved in a Single Event.** If any **claim** or loss covered in whole or in part under this Section also constitutes:
- a. A **claim** covered in whole or in part under Section VI; or
  - b. A **claim** covered in whole or in part under Section VII; or
  - c. A **claim** covered in whole or in part under Section VIII; or
  - d. A **claim** covered in whole or in part under Section XII; or
  - e. Any combination of two or more of the coverage events listed in subparagraphs 4. a., b., c. and d. above, or multiple insuring agreements within each Section, then only the Section with the higher limits for the per occurrence, per accident or per claim(s) limit(s) of indemnification as shown in the declarations pages, and its corresponding deductible, if any, will apply toward paying the claim. If the per occurrence, per accident and per claim(s) limit(s) of indemnification as shown in the declarations pages are equal, only one limit will still apply and it will be the limit of indemnification and its corresponding deductible, if any, applicable to the Section deemed by **us** to be providing the primary policy for the claim.

**D. Exclusions to Chemical Spraying Liability Activities Liability Insurance Endorsement:**

1. To any **claim** or loss more specifically covered under any other Section of this policy.
2. To **personal injury** or **property damage** resulting from an act or omission intended or expected from the standpoint of any **insured** to cause **personal injury** or **property damage**. This exclusion applies even if the **personal injury** or **property damage** is of a different kind or degree, or is sustained by a different person or property, than that intended or expected.
3. To **personal injury** or **property damage** resulting from an act or omission outside the course and scope of employment and any act performed with malice or criminal intent. This exclusion applies regardless of whether any **insured** is actually charged with, or convicted of, a crime.
4. To any obligation for which **you** may be held liable under any workers' compensation, unemployment compensation, disability benefits law, employer's liability, or under any similar federal, state or local law, ordinance, rule or regulation, however characterized, as well as any claim or suit by a spouse, child, parent, or sibling of an **insured** as a consequence of **personal injury** to an **insured**.
5. To any **claim** or suit for which the only monetary **damages** sought are costs of suit and/or attorney's fees.

6. To any **claim** based on or attributable to the rendering or failure to render any opinion, treatment, consultation or service, if such opinion, treatment, consultation or service was rendered or failed to have been rendered while **you** were engaged in any activity for which **you** received compensation from any source other than as a public entity or an employee of a public entity.
7. To any **claim** for which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a claim under any other policy or policies of insurance.

# **SECTION XII -ENDORSEMENTS**

**THESE ENDORSEMENTS MODIFY THE POLICY.**

**PLEASE READ THEM CAREFULLY.**

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

## SECTION V – PROPERTY AMENDATORY ENDORSEMENT Accidental Discharge of Pollutants Endorsement # 1

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

#### **A. Pollution Exclusion Exception:**

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

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

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

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

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

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

## SECTION VI – GENERAL LIABILITY AMENDATORY ENDORSEMENT Nuclear, Chemical, or Biological Incident Endorsement # 2

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**Section VI – General Liability is amended by the following:**

**With respect to Insuring Agreement 1:**

We agree to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** because of **bodily injury** or **property damage** caused by an **accident** arising out of the use of nuclear material, caustic chemicals, or biological materials used in school operations. This coverage is sublimited to \$500,000 per **accident**. The limits of indemnification shall be reduced by all sums paid by worker's compensation benefits or similar disability law if the claimant is **your** employee or volunteer.

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

**SECTION VIII – ERRORS AND OMISSIONS AMENDATORY  
ENDORSEMENT  
Injunctive Relief Endorsement # 3**

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**Section VIII – Errors and Omissions is amended by the following:**

This amendment provides coverage for injunctive relief or other non-monetary relief. This coverage is sublimited to \$50,000 in **defense costs** in the annual aggregate. This coverage is a claims made coverage. Except as specifically stated, all definitions, specific conditions, and exclusions applicable to Section VIII apply to this endorsement.

**We will reimburse you for defense costs** incurred while defending a **claim** which is **first made** against **you** during this policy period, arising out of any **wrongful act** by **you**.

**A. Definitions applicable to this amendatory endorsement:**

1. **“Claim”** means a demand received by **you** alleging a **wrongful act** by any **insured** demanding injunctive, declaratory, or other non-monetary relief, or a claim where the only monetary **damages** sought are for cost of suit and/or attorney’s fees.
2. **“Defense costs”** means attorney fees, expenses and costs.

**B. Exclusions applicable to this insuring agreement:**

1. **Damages** will not include the salary, additional wages or costs of any employee of an **insured**.

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

## SECTION V – PROPERTY AMENDATORY ENDORSEMENT Terrorism Insurance Physical Damage/Loss Endorsement #4

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

#### **A. Insuring Clause:**

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

#### **B. Losses Excluded:**

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

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

**C. Property Excluded:**

1. Land or land values.
2. Power transmission, feeder lines or pipelines not on the named insured's premises.
3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.
4. Aircraft or any other aerial device, or watercraft.
5. Any land conveyance, including locomotives or rolling stock, unless such land conveyance is declared hereon and solely whilst located at the property insured herein at the time of its damage.
6. Animals, plants and living things of all types.
7. Property in transit not on the named insured's premises.

**D. Conditions:**

1. **Joint Insureds.** ICRMP's total liability for any loss or losses sustained by any one or more of the named insured's under this endorsement will not exceed the sum insured shown in the declarations pages. ICRMP shall have no liability in excess of the sum insured whether such amounts consist of insured losses sustained by all ICRMP's members (named insureds) or any one or more of the named insureds.
2. **Other insurance.** This endorsement shall be excess of any other insurance available to the named insured covering a loss covered hereunder except such other insurance which is written specifically as excess insurance over this endorsement. When this endorsement is written specifically in excess of other insurance covering the peril insured hereunder, this endorsement shall not apply until such time as the amount of the underlying insurance, (whether collectible or not), has been exhausted by loss and damage covered by this endorsement in excess of the deductible with respect to each and every covered loss.
3. **Situation.** This endorsement insures property located at the addresses stated in the schedule of values kept on file with **us** via e-Agent.
4. **Sum Insured.** ICRMP hereon shall not be liable for more than the endorsement aggregate of fifty million dollars (\$50,000,000) for all ICRMP school district and college members combined.
5. **Deductible.** Each occurrence shall be adjusted separately and from each such amount the sum stated in the schedule of values shall be deducted of ten thousand dollars (\$10,000) per occurrence.
6. **Occurrence.** The term "occurrence" shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of **Terrorism** or **Sabotage** for the same purpose or cause. The duration and extent of any one "occurrence" shall be limited to all losses sustained by the named insured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this endorsement unless the named insured shall first sustain direct physical damage by an Act of **Terrorism** or an Act of **Sabotage** prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this endorsement.
7. **Debris Removal.** This endorsement also covers, within the sum insured, expenses incurred in the removal from an **insured** location of debris of property stated in the schedule of values damaged by an Act of **Terrorism** or an Act of **Sabotage**. The cost of removal of debris shall not be considered in determination of the valuation of the property covered.
8. **Due Diligence.** The named insured (or any of the named insured's agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove an **insured** property, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.
9. **Protection Maintenance.** It is agreed that any protection provided for the safety of the property insured shall be maintained in good order throughout the currency of this endorsement and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of ICRMP without our consent.

10. **Valuation.** It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:
- a. The repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch;
  - b. Until replacement has been effected the amount of liability under this endorsement in respect of loss shall be limited to the actual cash value at the time of loss;
  - c. If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this endorsement.
  - d. ICRMP's liability for loss under this endorsement shall not exceed the smallest of the following amounts:
    - (1) The endorsement limit applicable to the destroyed or damaged property,
    - (2) The replacement cost of the property or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss,
    - (3) The amount actually and necessarily expended in replacing said property or any part thereof.
    - (4) ICRMP will normally expect the named insured to carry out repair or replacement of an **insured** property, but if the named insured and ICRMP agree that it is not practicable or reasonable to do this, we will pay the **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred. **We** will only pay **you** up to the limits of indemnification shown in the declarations pages.
11. **Incorrect Declaration Penalty.** If the values declared as stated in the schedule of values are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and **you** shall coinsure for the balance.
12. **Notification of Claims.** **You**, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give written advice as soon as reasonably practicable to **us** within seven (7) days of such knowledge of any occurrence and it is a condition precedent to the liability of ICRMP that such notification is given by the **you** as provided for by this endorsement. If **you** make a claim under this endorsement **you** must give **us** such relevant information and evidence as may reasonably be required and cooperate fully in the investigation or adjustment of any claim. If required by **us**, **you** must submit to examination under oath by any person designated by **us**.
13. **Proof of Loss.** **You** shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of **us**) stating the time, place and cause of loss, **your** interests and all others in the property, the sound value thereof and the amount of loss or damage thereto. If ICRMP has not received such proof of loss within two years of the expiry date of this endorsement, **we** shall be discharged from all liability hereunder. In any claim and/or action, suit or proceeding to enforce a claim for loss under this endorsement, the burden of proving that the loss is recoverable under this endorsement and that no limitation or exclusion of this endorsement applies and the quantum of loss shall fall upon **you**.

14. **Subrogation.** Any release from liability entered into in writing by **you** prior to loss hereunder shall not affect this endorsement or the right of **you** to recover hereunder. The right of subrogation against any of **your** subsidiary or affiliated companies or any other companies associated with **you** through ownership or management is waived. In the event of any payment under this endorsement, **we** shall be subrogated to the extent of such payment to all **your** rights of recovery therefore. **You** shall execute all papers required, shall cooperate with **us** and, upon **our** request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. **We** will act in concert with all other interests concerned (including an **insured**) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:
- a. Any interest, (including **yours**), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this endorsement and in excess of the coverage under this endorsement shall be reimbursed up to the amount of such loss (excluding the amount of the deductible);
  - b. Out of the balance remaining, **we** shall be reimbursed to the extent of payment under this endorsement;
  - c. The remaining balance, if any, shall inure to the benefit of **you**, or any Insurer providing insurance primary to this endorsement, with respect to the amount of such primary insurance, deductible, self-insured retention, and/or loss of a type not covered by this endorsement.
  - d. The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the named insured, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of **us**, the expense thereof shall be borne by **us**.
15. **Salvage and Recoveries.** All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this endorsement shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.
16. **False or Fraudulent Claims.** If **you** shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this endorsement shall become void and all claims and benefit hereunder shall be forfeited.
17. **Misrepresentation.** If **you** have concealed or misrepresented any material fact or circumstance relating to this endorsement, this endorsement shall become void. If **you** are unsure what constitutes material fact(s) or circumstance(s), **you** should consult **your** agent.
18. **Abandonment.** There shall be no abandonment to ICRMP of any property.
19. **Inspection and Audit.** ICRMP or their agents shall be permitted but not obligated to inspect the property at any time. Neither ICRMP's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the **named insured** or others, to determine or warrant that such property is safe. **We** may examine and audit **your** books and records at any time up to two years after the final termination of this endorsement, as far as they relate to the subject matter of this endorsement.
20. **Assignment.** Assignment or transfer of this endorsement shall not be valid except with the prior written consent of ICRMP.
21. **Rights of Third Party Exclusions.** This endorsement is effected solely between the named insured and ICRMP. This endorsement shall not confer any benefits on any third parties, including

shareholders, and no such third party may enforce any term of this endorsement. This clause shall not affect the rights of the named insured.

22. **Cancellation by Withdrawing Member/Expulsion.** This endorsement is cancelable by you by sending written request of cancellation to us. The effective date of the cancellation will be either the date you requested or the date **we** received notice, whichever is later. A notice to cancel will be treated as a notice to withdraw from the ICRMP program. This endorsement is available only through faithful participation as a member of the ICRMP program. If you are expelled or withdraw from ICRMP, all insurance coverage pursuant to this policy is terminated. You may be expelled from the program pursuant to the terms and conditions of the Joint Powers Subscriber Agreement effective as of the date of this policy.
23. **Arbitration.** If **you** and **we** fail to agree in whole or in part regarding any aspect of this endorsement, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two (2) chosen shall before commencing the arbitration select a competent and disinterested umpire. The arbitrators together shall determine such matters in which **you** and shall so fail to agree and shall make an award thereon and the award in writing of any two (2), duly verified, shall determine the same, and if they fail to agree, they will submit their differences to the umpire. The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.
24. **Severall Liability.** ICRMP's obligations under this endorsement are several and not joint and are limited solely to their individual subscriptions.
25. **Legal Action Against ICRMP.** No one may bring a legal action against ICRMP unless:
  - a. there has been full compliance by **you** with all of the terms of this endorsement; and
  - b. the action is brought within two (2) years after the expiry or cancellation of this endorsement.
26. **Material Changes.** **You** shall notify **us** of any change of circumstances which would materially affect this Insurance.
27. **Experts Fees.** This endorsement includes, within the sum insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing an **insured** property following damage insured under this endorsement.
28. **Law.** As specified in the General Conditions of this policy.
29. **Jurisdiction.** As specified in the General Conditions of this policy.
30. **Service of Suit.** This service of suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this endorsement. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such arbitration provision for resolving disputes arising out of this endorsement. It is agreed that in the event of the failure of **us** hereon to pay any amount claimed to be due hereunder, **we** hereon, at the request of the named insured, will submit to the jurisdiction of a court of competent jurisdiction within Idaho. Nothing in this clause constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any court of competent jurisdiction in Idaho, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon ICRMP representatives and that in any suit instituted against any one of them upon this endorsement, ICRMP will abide by the final decision of such court or of any appellate court in the event of an appeal.

31. **Legal Service.** Any summons, notice or process to be served upon ICRMP for the purpose of instituting any legal proceedings against them in connection with this endorsement may be served upon the Executive Director of ICRMP who has authority to accept service.

32 **Definitions.** All defined terms are controlled by Section 1, General Definitions, unless otherwise amended or clarified within this endorsement.

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

**SECTION VIII – ERRORS AND OMISSIONS AMENDATORY  
ENDORSEMENT  
Attorney Consultation Reimbursement # 5**

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**Section VIII – Errors and Omissions is amended by the following:**

**We** will reimburse **you** for attorney fees incurred by **you** to obtain an opinion of counsel regarding the appropriateness of a proposed termination of employment of **your** employee(s) provided **you** first notify **us** of the proposed termination during the policy period and at least 30 days prior to such termination.

**We** agree to pay up to \$1,500 in attorney costs and fees per termination considered not to exceed \$50,000 in the aggregate per policy period.

The amounts payable under this endorsement are in addition to the defense costs limits stated within the declarations pages.

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

## Cyber and Technology Liability Endorsement # 6

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

### I. Insuring Agreements

#### A. Third Party Liability Coverages

1. Media. **We** will pay on **your** behalf **claim expenses** and damages that **you** are legally obligated to pay as the result of a **claim** first made against **you** during the policy period or extended reporting period (if applicable) alleging a **media wrongful act** by **you**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
2. PCI DSS Coverage. **We** will reimburse **you** for **PCI DSS fines and costs** that **you** are legally obligated to pay as the result of a **claim** first made against **you** during the policy period alleging a **PCI DSS wrongful act** by **you** or an **outsourced provider**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$100,000.
3. Privacy and Cyber Security. **We** will pay on **your** behalf **claim expenses** and **damages** that **we** are legally obligated to pay as the result of a **claim** first made against **you** during the policy period or extended reporting period (if applicable) alleging a **privacy and security wrongful act** by **you**, an **outsourced provider** or a **rogue employee**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
4. Privacy Regulatory Defense, Awards and Fines. **We** will pay on **your** behalf **claim expenses** and **regulatory damages** that **we** are legally obligated to pay as the result of a **privacy regulatory action**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
5. Supplemental Third Party Liability Prevention. Upon **our** exhaustion of the retention applicable to this endorsement under which **we** are providing coverage, **we** will pay for **claim avoidance costs**, at **our** sole discretion that **we** thereafter incur as a direct result of **our** reasonable investigation of a potentially covered circumstance that **you** report to **us**. Notice of such **claim avoidance costs** will be part of, and not in addition to, the limit of liability, as stated in the Declarations page, and will in no way serve to increase or supplement such aggregate limit of liability. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

#### B. First Party Coverages

1. Data Recovery. **We** will reimburse **you** for **data recovery expenses** that **you** incur directly resulting from a **cyber-security breach**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
2. Cyber-Extortion. **We** will reimburse **you** for **cyber-extortion expenses** that **you** incur directly resulting from and in response to a **cyber-extortion threat**. Provided, however, coverage

under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

C. Data Breach Response and Crisis Management Coverage.

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

D. Conditions.

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

## II. Defense and Settlement

A. Defense.

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

B. Settlement.

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

### III. Limit of Liability and Retention

A. Limit of Liability Option. **We** shall elect the endorsement limits to apply on a Combined Limits or Separate Limits basis.

1. Combined Limits

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

2. Separate Limits. If **we** elect Separate Limits then the Endorsement's:

- a) Third and First Party Aggregate Limit, on the Declarations page and the PCI DSS Coverage **sublimit** as stated, is **our** maximum liability for all **damages, claim expenses, regulatory damages, PCI DSS Fines and Costs, loss of business income, extra expense, data recovery expenses, cyber-extortion expenses** and **claim avoidance costs** for all Third Party Liability Coverages and First Party Coverages, regardless of the number of insureds, **claims, first party incidents**, or individuals or entities making **claims**. If a **sublimit** with respect to an Insuring Agreement is stated then such **sublimit** will be **our** maximum liability for loss with respect to such Insuring Agreement. Upon exhaustion of such **sublimit**, **we** will not be liable to pay any further loss with respect to the coverage provided by the subject Insuring Agreement. Each **sublimit** will be part of, and not in addition to, the Policy's Third Party Liability and First Party Aggregate Limit of Liability and will in no way serve to increase or supplement such limit of liability. All payments made under a **sublimit** will reduce such limit of liability.

3. Data Breach Response and Crisis Management Aggregate Limit of Liability

- a) Data Breach Response and Crisis Management Aggregate Limit is **our** maximum liability for all **data breach response and crisis management costs** for Data Breach Response and Crisis Management Coverage regardless of the number of **data breaches**.

4. Exhaustion of Limit

- a) Upon exhaustion of the Combined Policy Aggregate Limit of Liability under the Combined Limits option or the Third Party and First Party Aggregate Limit of Liability or the Data Breach Response and Crisis Management Aggregate Limit of Liability under the Separate Limits option or after **we** may deposit or escrow with a court of competent

jurisdiction any amounts remaining in the Endorsement's aggregate limit of liability prior to exhaustion, **we** will not be liable to pay any further loss under the endorsement.

B. Retentions.

1. Solely with respect to coverage provided on a Combined Limits basis, **we** are liable only for that portion of covered **damages, regulatory damages, PCI DSS Fines and Costs** and **claim expenses** resulting from a **third party wrongful act** and for that portion of covered **first party costs** resulting from a **first party incident** that is in excess of the applicable Insuring Agreement's retention amount. If more than a single retention applies to a **claim** and/or **first party incident**, then **you** are responsible for paying the highest applicable retention.
2. Solely with respect to coverage provided on a Separate Limits basis, **we** are liable only for that portion of covered **damages, regulatory damages, PCI DSS Fines and Costs** and **claim expenses** resulting from a **third party wrongful act** and for that portion of any covered **loss of business income, extra expense, data recovery expenses, cyber-extortion expenses, data breach response and crisis management costs** and **claim avoidance costs** resulting from a **cyber-security breach** or **cyber-extortion threat** that is in excess of the applicable Insuring Agreement's retention amount. If more than a single retention applies to a claim and/or **first party incident**, then **you** are responsible for paying the highest applicable retention.
3. As respects Data Breach Response and Crisis Management Coverage a separate retention will apply and **we** are liable only for that portion of any covered **data breach response and crisis management costs** directly resulting from a **data breach**.

C. Related Matters and Related Losses.

1. Related Third Party Wrongful Acts

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

2. Related First Party Incidents

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

3. Related Loss

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

#### IV. Definitions

- A. Breach Response Providers means **our** pre-approved breach response providers available upon request.
- B. Claim means
1. A written demand for monetary damages, services, or injunctive or other non-monetary relief;
  2. A civil proceeding for monetary damages, services, or injunctive or other non-monetary relief that is commenced by service of a complaint or similar pleading, including any appeal thereof;
  3. A mandatory arbitration or other mandatory alternative dispute resolution proceeding for monetary damages, services, or injunctive or other non-monetary relief that is commenced by a written demand, including any appeal thereof, or a non-mandatory arbitration or other alternative dispute resolution proceeding to which **we** have consented in writing; and
  4. A **privacy regulatory action** with respect Privacy Regulatory Defense, Awards and Fines.
- C. Claim Expenses means
1. Reasonable and necessary fees for the defense of a covered **claim** defended by an attorney selected by **us**, for Defense and Settlement as well as other reasonable and necessary fees, costs and expenses that result from the investigation, adjustment, negotiation, arbitration, defense or appeal of a covered **claim**; and
  2. Premiums on appeal bonds, attachment bonds or similar bonds, but **we** are not obligated to apply for or furnish any such bond.
- D. Claim Avoidance Costs means
1. Those costs incurred by **us** whose intention is to avert a **claim** that may arise from a circumstance **you** report in accordance with Notice of Circumstance.
  2. Claim Avoidance Costs do not include:
    - a) payments recoverable by **you**;
    - b) any element of profit for **you**;
    - c) any charge or credit against any fee owed or payable to **you**; and
    - d) costs, fees or other expenses **you** incur to establish or document the existence or amount of **claim avoidance costs**.
- E. Confidential Business Information means
1. Any non-public third party business information, whether encrypted or unencrypted, that cannot be lawfully obtained or known by the general public, including trade secrets, customer lists, drawings, financial information and marketing plans that are provided to **you** by a third party.
- F. Consumer Redress Amount means that sum of money that **you** are legally obligated to deposit in a fund for the payment of consumer **claims** as the result of a litigated **privacy regulatory action** or by written agreement by the claimant, **you** and **us**.

G. Cyber-Extortion Expenses means

1. Reasonable and necessary money, property or other consideration surrendered as payment by or on behalf of **you** to which **we** have consented, such consent may not be unreasonably withheld, in order to avert or limit a **cyber-extortion threat**, and
2. The reasonable and necessary costs agreed to by **you** and **us** to conduct an investigation to determine the cause and scope of a **cyber-extortion threat**.

H. Cyber-extortion threat means

1. A threat against a **network** first made by a person or group, whether acting alone or in collusion with others, demanding payment or a series of payments in consideration for the elimination, mitigation or removal of the threat during the policy period to:
  - a) disrupt **your** business operations;
  - b) alter, damage, or destroy data stored on the **network**;
  - c) use the **network** to generate and transmit malware to third parties;
  - d) deface **your** website; and
  - e) access **Personally Identifiable Information, protected health information or confidential business information** stored on the **network**.

I. Cyber Security Breach means any unauthorized: access to, use or misuse of, modification to the **network**, and/or denial of **network** resources by attacks perpetuated through malware, viruses, worms, and Trojan horses, spyware and adware, zero-day attacks, hacker attacks and denial of service attacks.

J. Damages means

1. Compensatory **damages** resulting from a judgment, award or settlement agreement, including pre-judgment and post-judgment interest, which **you** become legally obligated to pay on account of a covered **claim**; and
2. Punitive and exemplary **damages**, if the insuring of punitive and exemplary **damages** is permitted under the laws and public policy of the jurisdiction under which the endorsement is construed. Enforceability of punitive and exemplary **damages** will be governed by the applicable law that most favors coverage for such punitive and exemplary **damages**.

**Damages** do not include:

3. the return of any fees paid to **you** or the offset of any future fees to be charged by or owed to **us**;
4. lost investment income;
5. costs incurred by **you** to withdraw or recall **technology products**, including products that incorporate an Insured's **technology products, technology services or professional services**;
6. costs incurred by **you** to correct, re-perform or complete any **technology services or professional services**;

7. costs incurred by **you** or by a third party at the direction of **us** to remediate, repair, replace, restore, modify, update, upgrade, supplement, correct or otherwise improve a **network** to a level of functionality beyond that which existed prior to a **cyber-security breach**;
  8. civil or criminal fines or penalties or compliance violation remedies imposed on **you**; provided, however, this provision does not apply to the coverage provided under Privacy Regulatory Defense, Awards and Fines;
  9. liquidated damages in a written contract or agreement in excess of **your** liability that otherwise result from a **third party wrongful act**;
  10. the monetary value of an electronic fund transfer or transaction that is lost or diminished during transfer;
  11. any amounts incurred prior to **you** providing notice of a **claim**;
  12. the value of non-monetary relief, including any amount attributable to or arising therefrom; and
  13. royalty or licensing fees or payments.
- K. Data Breach means the actual or reasonably suspected by an executive officer theft, loss or unauthorized acquisition of data, which an executive officer first becomes aware of during the policy period that has or may compromise the security, confidentiality and/or integrity of **Personally Identifiable Information, protected health information or confidential business information**.
- L. Data Breach Response and Crisis Management Costs means
1. Costs charged by **Breach Response Providers** to:
    - a) determine the legal applicability of and actions necessary to respond to a **data breach** reporting requirement;
    - b) perform computer forensics to determine the existence, cause and scope of a **data breach** or **cyber security breach**;
    - c) notify individuals of a **data breach** who are required to be notified pursuant to any **data breach** reporting requirement;
    - d) voluntarily notify individuals of a **data breach** who may not be required to be notified under an applicable **data breach** reporting requirement;
    - e) operate a call center to manage **data breach** inquiries;
    - f) provide credit or identity monitoring and identity protection and restoration services or any similar service for those individuals whose **Personally Identifiable Information** was or may have been breached;
    - g) provide medical identity restoration for those individuals whose **protected health information** was or may have been breached;
    - h) minimize harm to **your** reputation by hiring a public relations or crisis communications firm, and

2. Any reasonable and necessary costs charged by a qualified provider who is not a **Breach Response Providers** and who **we** have consented in writing, such consent may not be unreasonably withheld, prior to the services being rendered to provide comparable services to those detailed in 1.(a) through 1.(h) above; provided, however, the maximum rate **we** will pay for such services shall not exceed the **Breach Response Providers** pre-negotiated rates; and
  3. Costs charged by a PCI Forensics Investigator to perform forensics to determine the existence, cause and scope of a breach or suspected breach of cardholder data.
- M. Data Recovery Expenses means
1. Reasonable and necessary costs incurred by **you** with **our** prior written consent, such consent may not be unreasonably withheld, to:
    - a) determine whether damaged or destroyed computer programs, software or electronic data can be replaced, recreated, restored or repaired; and
    - b) replace, recreate, restore or repair such damaged or destroyed computer programs, software or electronic data residing on the **network** to substantially the form in which it existed immediately prior to a **cyber security breach**.
- N. Extra Expense means reasonable and necessary expenses in excess of **your** normal operating expenses that **you** incur to minimize, reduce or avoid **loss of business income**; provided, however, such **extra expense** shall not exceed the amount that would have been incurred as **loss of business income**.
- O. First Party Costs means any **loss of business income, extra expense, data recovery expenses, cyber-extortion expenses, data breach response and crisis management costs** and **claim avoidance costs**. **First party costs** do not include any amounts incurred prior to **you** providing notice of the **first party incident**.
- P. First Party Incident means a **cyber security breach, cyber-extortion threat** or **data breach**.
- Q. Loss means all **damages, claim expenses, regulatory damages** and **first party costs** and **PCI DSS Fines and Costs**.
- R. Loss of Business Income means
1. Net income (net profit or **loss** before income taxes) that could have been reasonably projected to would have been earned or net **loss** that would have been avoided; and
  2. Continuing normal and reasonable operating expenses, including payroll. A **loss of business income** calculation is based upon the amount of actual **loss of business income you** sustain per hour during the **period of restoration**.
- S. Matter means the content of any communication of any kind whatsoever, whether public or private, regardless of the nature or form of such content or the medium by which such content is communicated, including but not limited to language, data, facts, fiction, music, photographs, images, artistic expression, or visual or graphical materials.
- T. Media Wrongful Act means
1. Any:
    - a) libel, slander, or any other form of defamation or harm to the character or reputation of any person or entity, including product disparagement or trade libel;

- b) copyright infringement or misappropriation of property rights, information or ideas or dilution or infringement of title, slogan, trademark, trade name, service mark or service name;
  - c) common law unfair competition or unfair trade practices alleged in conjunction with the acts described above;
  - d) invasion or infringement of the right of privacy or publicity, including the torts of intrusion upon seclusion, publication of private facts, false light, and misappropriation of name or likeness;
  - e) infliction of emotional distress or mental anguish;
  - f) false arrest, detention or imprisonment, harassment, trespass, wrongful entry or eviction, eavesdropping, or other invasion of the right of private occupancy;
  - g) plagiarism, piracy or misappropriation of ideas under implied contract; and
  - h) economic harm to a third party directly resulting from the party's reliance or failure to rely upon the content of **matter** which is false or erroneous, resulting from **you** acquiring, blogging, broadcasting, collecting, disseminating, distributing, editing, exhibiting, gathering, obtaining, producing, publishing, releasing, researching, recording, tweeting or uttering through:
    - i) traditional media such as cable television, radio, movie and music studios, newspapers, magazines, books and print publications; and/or
    - j) digital media such as Internet-based concepts, like website or applications, or digital mediums, such as CD-ROMs and DVDs.
- U. Merchant Services Agreement means an agreement between **you** and a financial institution, credit/debit card company, credit/debit card processor or Independent service operator enabling **you** to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.
- V. Network means a connected system of computing hardware, software, firmware and associated electronic components under the ownership, operation or control of, or leased by **you**.
- W. Outsourced Provider means any third party, including a cloud service provider, to which **you** have contracted to provide **professional services** or to process, maintain or transmit **Personally Identifiable Information, protected health information** or **confidential business information** on behalf and for the benefit of **you** and for whose acts and omissions **you** are legally responsible.
- X. Period of Restoration means
1. That period of time that begins at the end of the **waiting period** and which continues until the earlier of:
    - a) the date **your** operations are restored to the condition that existed immediately prior to the **cyber security breach**; or
    - b) one hundred-twenty (120) days after the date of the **cyber security breach**.

- Y. Personally Identifiable Information means any information, whether printed or digital, encrypted or unencrypted, in an Insured's or **outsourced provider's** care, custody or control, that singly or in combination can uniquely identify an individual, including but not limited to such information as name, social security number, address, birth date, physical characteristics, IP address, biometric record, unique mobile device identifier, geo-location data, mobile telephone number, email address, user name, text message or email, call log, contacts and address book entries, financial or payment information, health or medical information, photos or videos or internet browsing history and non-public personal information as defined by the Gramm-Leach-Bliley Act; provided, however, **Personally Identifiable Information** does not include information that is lawfully available to the general public.
- Z. PCI DSS Fines and Costs means monetary fines, fraud recoveries, operational reimbursement and assessments owed by **you** under the contractual obligations of a **Merchant services agreement**. Provided, however, **PCI DSS Fines and Costs** does not mean interchange fees, discount fees or prospective service fees.
- AA. PCI DSS Wrongful Act means any actual or alleged failure to comply with PCI Data Security Standards resulting from a cyber-security breach or **privacy and security wrongful act**.
- BB. Privacy and Security Wrongful Act
1. Any:
    - a) **Loss** of or failure to protect **Personally Identifiable Information, protected health information or confidential business information**;
    - b) violation of any law, statute or regulation governing the authenticity, availability, confidentiality, storage, control, disclosure, integrity or use of **Personally Identifiable Information or protected health information**;
    - c) violation of a **data breach** reporting requirement;
    - d) failure to reasonably implement privacy or security practices required by governmental law or regulations; and
    - e) failure to prevent a cyber-security breach that results in:
      - (1) the inability of an authorized user to gain access to the **network**;
      - (2) the malicious addition, alteration, copy, destruction, deletion, disclosure, damage, removal or theft of data residing on the **network**;
      - (3) a denial of service attack emanating from the **network** which **damages** or destroys third party's hardware, computer programs or electronic data residing on a third party's **network**; or
      - (4) the transmission of malware from the **network** to third parties.
- CC. Privacy Regulatory Action means a written request for information, civil investigative demand or civil proceeding brought by or on behalf of a governmental or regulatory authority first initiated during the policy period against **you** that results from an actual or alleged **privacy and security wrongful act** by **you**, an **outsourced provider** or a **rogue employee**.
- DD. Privacy Regulatory Fine means a civil monetary fine or penalty imposed on **you** by a governmental or regulatory authority.

- EE. Professional Service means the services stated in this endorsement.
- FF. Protected Health Information means all protected and individually identifiable health information, whether printed or digital, encrypted or unencrypted, held or transmitted by **you** or **your** business associate, as those terms are defined by HITECH, the Health Insurance Portability and Accountability Act of 1996 Privacy Rule or any amendment thereto, including the Health Information Technology for Economic and Clinical Health Act and final Omnibus Rule issued on January 17, 2013.
- GG. Regulatory Damages means any **consumer redress amount** and **privacy regulatory fines**.
- HH. Related Losses means all **losses** that are directly or indirectly based upon, caused by, or result or arise from the same, similar or continuous **claims** or **first party incidents**.
- II. Related Matters means
1. All **third party wrongful acts** that are directly or indirectly based upon, caused by, or result or arise from the same, similar or a continuous nexus of facts, circumstances, acts, errors or omissions, whether logically, causally or otherwise related or connected; and
  2. All **first party incidents** that are directly or indirectly based upon, caused by, or result or arise from the same, similar or a continuous nexus of facts, circumstances, acts, errors or omissions, whether logically, causally or otherwise related or connected.
- JJ. Retroactive Date means the applicable date stated in on the Declarations page for each Insuring Agreement in Third Party Liability Coverages.
- KK. Rogue Employee means **your** employee who deliberately acts outside the course and scope of employment and whose intentional conduct results in a **claim**; provided, however, **rogue employee** does not include an executive officer.
- LL. Sublimit means the applicable amount, if any, stated on the Declarations page for each Insuring Agreement within each Coverage Section.
- MM. Technology and Professional Services Wrongful Act means
1. Any:
    - a) act, error, omission, neglect, negligent misrepresentation or breach of duty;
    - b) injury to a person arising out of defamation, including libel, slander, or other defamatory or disparaging statements or materials;
    - c) infringement of an intellectual property right except as otherwise excluded in Patent and Trade Secrets;
    - d) the failure of **technology products** to perform the intended function or serve their intended purpose; and
    - e) the failure of **technology services, professional services** or **technology products** to meet any applicable legal standard concerning quality, safety or fitness for a particular purpose.
- NN. Technology Products means

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

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

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

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

## II. Exclusions

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

### A. Deliberate Acts

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

### B. Personal Profit

1. The gaining of any profit, remuneration, or financial or non-financial advantage by **you** to which **you** would not be entitled; provided, however, **we** will provide **you** with a defense of any otherwise covered **claim** and pay any otherwise covered **claim expenses** alleging any such

gain until it has been finally determined that such gain was improper or illegal, at which time **you** shall reimburse **us** for all **claim expenses**.

C. Uninsurable Matters

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

D. Prior Acts

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

E. Bodily Injury and Property Damage

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

F. Employment Practices

1. The following actually or allegedly occurring in connection with a person's employment or application for employment with **you**: discrimination, retaliation, sexual or any other type of harassment, wrongful dismissal, discharge or termination, whether actual or constructive, wrongful discipline, wrongful deprivation of career opportunity, wrongful demotion or change in employment status, wrongful evaluation, negligent hiring, discipline, supervision or retention, failure to promote, failure to grant tenure, employment related misrepresentation, failure to adopt or comply with adequate workplace or employment policies or procedures, failure to train, breach of any oral, written, or implied employment contract; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security.

G. Owned Entity

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

H. Insured Versus Insured

1. **Claim** made against **you** and brought by, or on behalf of **you** or parent company, successor or assignee of an Insured; provided, however, this exclusion shall not apply to an otherwise covered **claim** made by any past, present or future officer, director, member, principal, partner, trustee, employee or leased worker or temporary employee of **yours**, only outside of their capacity and pursuant to their authority as such.

I. ERISA

1. Breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violations of the responsibilities, obligations or duties imposed upon fiduciaries by ERISA, the Employee Retirement Income Security Act of 1974, or any

analogous federal, state or local statutory or common law; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security.

J. Securities

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

K. RICO

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

L. Antitrust and Unfair Competition

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

M. Unsolicited Communications

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

N. Patent

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

O. Trade Secrets

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

P. Contractual

1. Any obligation **you** have under written contract; provided, however, this exclusion shall not apply to liability **you** would have in the absence of a contract or an **your**:
  - a) breach of an exclusivity or confidentiality provision contained in a written agreement;

- b) violation of an intellectual property right except a violation of a patent right;
- c) negligent performance of **technology services** or **professional services** for a client or customer; or
- d) provision of **technology products** to a client or customer which contain a material defect.
- e) breach of a **Merchant services agreement**.

Q. Force Majeure

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

R. Infrastructure Failure

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

S. Governmental Orders

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

T. Over-Redemption

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

U. Unauthorized Collection And Use

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

### III. Notice

A. Notice Of Circumstance

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

B. Notice Of Claim And First Party Incident

- 1. **You**, as a condition precedent to the obligations of **ours** under the endorsement, must provide to **us** written notice of any **claim** made against **you** and any **first party incident** discovered

as soon as reasonably practicable after an executive officer becomes aware of such **claim** or **first party incident**.

C. Notice To Whom

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

D. When A Claim Is Deemed Made

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

E. Insured's Claim And First Party Incident Obligations

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

F. Assistance And Cooperation

1. **You** will reasonably cooperate with **us** and upon **our** request: assist **us** in the investigation of any third party wrongful (a) act and **first party incident**.
  - a) attend hearings, depositions and trials;
  - b) assist us in defending and effecting settlements of **claims**;
  - c) secure and provide evidence which includes but not limited to obtain the attendance of witnesses;
  - d) allow us to participate in the handling and management of any suit or proceeding;
  - e) assist us in enforcing any right, contribution or indemnity against a third party which may be liable to you; and
  - f) allow a computer forensics expert access to systems, files and information.

2. **You** will take all reasonable steps to limit and mitigate any **loss** arising from any **third party wrongful act** or **first party incident** for which coverage may be or is sought under the endorsement. **You** will do nothing which in any way increases **our** exposure under the endorsement or in any way prejudices **our** potential or actual rights of recovery.

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

## Student Practicum Liability Endorsement # 7

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This endorsement details the contract terms entered into by ICRMP on behalf of all its Public Education members and constitutes the contract document under which we provide coverage to the named insured as listed on the declarations pages of this policy.

### CLAIMS MADE COVERAGE Retroactive Date: July 1, 2015

#### SECTION I – INSURING AGREEMENT, DEFENSE & EXCLUSIONS

##### A. Insuring Agreement

1. Subject to the applicable **limit(s) of Insurance** of SECTION III – LIMITS OF INSURANCE, we agree to indemnify the **Insured** for **ultimate net loss** which the **Insured** becomes legally obligated to pay because of **bodily injury, personal injury, advertising injury, or property damage** which occurs during this policy period and to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered. The **Insured's** obligation to pay shall have been determined by judgment against the **Insured** after a contested **suit** or by written agreement, which has received **our** prior approval, between the **Insured(s)** and the claimant(s) or the claimant's legal representative.
2. This insurance applies to **bodily injury, personal injury, advertising injury, or property damage** which occurs during this policy period, provided that prior to this policy period, no **Insured** listed under paragraphs A. or B. 1. or 2., of SECTION II – WHO IS AN INSURED or no person authorized by **you** to give or receive notice of an **occurrence** or claim, knew that the **bodily injury, personal injury, advertising injury, or property damage** had occurred, in whole or part. If such listed **Insured** or authorized person knew, prior to this policy period, that the **bodily injury, personal injury, advertising injury, or property damage** occurred, then any continuation, change or resumption of such **bodily injury, personal injury, advertising injury, or property damage** during or after this policy period will be deemed to have been known prior to this policy period and will not be covered hereunder.
3. **Bodily injury, personal injury, advertising injury, or property damage** which occurs during this policy period and was not, prior to this policy period, known to have occurred by an **Insured** listed under paragraphs A. or B. 1. or 2. of SECTION II – WHO IS AN INSURED or any person authorized by **you** to give or receive notice of an **occurrence** or claim, includes any continuation, change or resumption of that **bodily injury, personal injury, advertising injury, or property damage** after the end of this policy period.
4. **Bodily injury, personal injury, advertising injury, or property damage** will be deemed to have been known to have occurred at the earliest time when any **Insured** listed under paragraphs A. or B. 1. or 2. of SECTION II – WHO IS AN INSURED or any person authorized by **you** to give or receive notice of an **occurrence** or **claim**:
  - a. Reports all, or any part, of the **bodily injury, personal injury, advertising injury, or property damage to us** or any other insurer;
  - b. Receives a written or verbal demand or claim for damages because of **bodily injury, personal injury, advertising injury, or property damage**; or
  - c. Actually or constructively becomes aware by any other means that **bodily injury, personal injury, advertising injury, or property damage** has occurred or had begun to occur.

5. Damages because of **bodily injury** which occurs during this policy period include damages claimed by any person or organization for care, loss of services or death resulting at any time from the **bodily injury**.
6. Damages because of **bodily injury** or **personal injury** arising out of the actual or threatened **non-employment harassment**, including sexual molestation, by anyone of any person while in the care, custody, or control of any **Insured**, or **bodily injury** or **personal injury**, arising out of the negligent:
  - a. Employment;
  - b. Investigation;
  - c. Supervision;
  - d. Reporting to the proper authorities, or failure to so report; or
  - e. Retention;

Of a person for whom any **Insured** is or ever was legally responsible and whose conduct would be excluded by paragraph 6. above.

7. It is agreed that the insurance provided by this endorsement, applies only to **ultimate net loss** which the **Insured** becomes legally obligated to pay because of **bodily injury, personal injury, advertising injury, or property damage** arising out of, caused, in whole or in part, by or contributed to by any acts, errors or omissions of **your** students while serving in a supervised student practicum or job shadowing program approved by **you** in satisfaction of course requirements and while acting under **your** direction and control or under the direction and control of any sponsoring or participating unaffiliated person, entity or organization included as an additional **Insured** to this policy and, when such student practicum or job shadowing program is in connection with medical or other allied health operations or activities, the supervising **Insured** must be a licensed medical professional. No insurance is provided for **bodily injury, personal injury or advertising injury** to any student of **yours** serving in a supervised student practicum or job shadowing program.
8. Garagekeeper's Legal Liability Coverage is Claims-Made basis. **We** agree to indemnify the **Insured** for **ultimate net loss** up to **limit(s) of Insurance** of SECTION III – LIMITS OF INSURANCE for which the **Insured** becomes legally obligated to pay because of **loss** to a **customer's auto** or **customer's auto** equipment left in **your** care while the **customer's auto** is being attended, serviced, repaired, parked or stored in **garage operations** at the covered location(s) shown in the Schedule under:
  - a. **Comprehensive Coverage.** From any cause except:
    - (1) The **customer's auto's** collision with another object; or
    - (2) The **customer's auto's** overturn.
  - b. **Collision Coverage.** Caused by:
    - (1) The **customer's auto's** collision with another object; or
    - (2) The **customer's auto's** overturn.

Any **Insured** operating a **customer's auto** must be a licensed driver. **We** will cover **loss** occurring during the policy period shown in on the **Declarations Page**. No other obligation to pay any additional sums or provide services is covered.

9. This insurance applies only to **bodily injury, personal injury, or property damage** for Medical Incident Liability Coverage as follows:
- a. **We** agree, subject to the limitations, terms and conditions hereinafter mentioned, to indemnify the **Insured** for **ultimate net loss** for which the **Insured** shall be legally obligated to pay because of a **claim(s)** first made against the **Insured** during the policy period, but only if the **bodily injury, personal injury, or property damage** is caused by a **medical incident**, or a series of **related medical incidents**, that:
    - (1) Takes place in the **coverage territory**; and
    - (2) Did not occur before July 1, 2015 (the Retroactive Date) or after the end of the policy period;Provided further that such **claim(s)** is first made against any **Insured** in accordance with paragraph b. below, during the policy period.
  - b. A **claim(s)** shall be considered to be first made at the earlier of the following times:
    - (1) When notice of such **claim(s)** is received and recorded by **us**; or
    - (2) When **you** become aware of an injury caused by a **medical incident(s)** situation or circumstances which may subsequently give rise to a **claim(s)** or **suit(s)** being made against any **Insured**, and **you** give written notice to **us**, but not later than the end of this policy's coverage period.
  - c. All **claim(s)** based upon or arising out of the same **medical incident(s)**, or a series of **related medical incident(s)**, by one or more **Insureds** shall be considered first made when the first of such **claim(s)** is made and shall be considered a single **claim**. Only one **claim limit(s) of Insurance** shall be applicable to such single **claim**.

## **B. Defense**

**We** have no duty to defend any claim or **suit** but **we** shall have the right and **you** shall give **us** the opportunity to associate in the defense of any claim or **suit** against the **Insured** seeking damages for **bodily injury, personal injury, advertising injury, or property damage**, which, in **our** sole opinion, may create indemnification obligations for **us** under this endorsement. In addition:

1. The **Insured**, or the **Named Insured** on the **Insured's** behalf, has the duty to defend any claim or **suit** seeking damages to which this insurance applies and shall be responsible for paying any **claim expenses**. The **claim expenses** incurred by the **Insured** serve to erode this Endorsements indemnification limit(s).
2. **We** shall also have the right, but not the duty, to assume control in the defense of any claim or **suit** which, in **our** sole opinion, may create indemnification obligations for **us** under this endorsement. This assumption of control shall include, but not be limited to:
  - a. The investigation of any **occurrence, offense, claim or suit**;
  - b. The selection or retention of defense counsel;
  - c. The appeal of any judgment; or

- d. The settlement of any claim or **suit**.

In the event **we** exercise **our** rights specified in this paragraph, the **limit(s) of Insurance** and the will remain unchanged as stated in this endorsement.

### C. Exclusions

This insurance does not apply to:

1. **Bodily injury** or **property damage** either expected or intended from the standpoint of the **Insured**. This exclusion does not apply to **bodily injury** or **property damage** resulting from:
  - a. Any corporal punishment administered to **your** students by or at the direction of **your** current or former faculty members, teaching assistants, student teachers or school administrators. This limited extension of coverage does not apply to:
    - (1) The malicious infliction of corporal punishment; or
    - (2) Corporal punishment administered in violation of law, or the policy or regulations of the **Insured** or its governing body, where applicable.
  - b. The use of reasonable force to protect persons or property (unless deemed to be a criminal act) EXCEPT by any federal, state or local law enforcement department, agency or detention facility, including their law enforcement officials, officers, reserve officers, detention officers, agents, employees or volunteers, or by **your** campus security department, agency or detention facility, including their officers, agents, employees or volunteers.
2. **Bodily injury, personal injury, advertising injury, or property damage** that the **Insured** is obligated to pay by reason of the assumption of liability in any contract or agreement. This exclusion does not apply to liability.
3. Liability imposed on the **Insured** under any of the following laws:
  - a. Employee Retirement Income Security Act (ERISA) of 1974, including any subsequent amendments or any similar federal, state or local law or regulations;
  - b. Any uninsured motorists, underinsured motorists, or automobile no-fault or first party **bodily injury** or **property damage** law;
  - c. Any workers compensation, unemployment insurance, social security or disability benefits law, or any similar law; or
  - d. Any obligation of the **Insured** under the Jones Act, general maritime law, the Federal Employers Liability Act, Federal Employee Compensation Act, the Defense Base Act or the U.S. Longshoremen and Harbor Workers Compensation Act.
4. **Bodily injury, personal injury, advertising injury, or property damage** arising from **employment wrongful act(s)**.
5.
  - a. For other than the **automobile hazard, bodily injury, personal injury, advertising injury, or property damage** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time.
  - b. For the **automobile hazard, bodily injury or property damage** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time:

- (1) That are, or that are contained in any property that is:
  - (a) Being transported or towed by, handled, or handled for movement into, onto or from the covered **auto**;
  - (b) Otherwise in the course of transit by or on behalf of the **Insured**; or
  - (c) Being stored, disposed of, treated or processed in or upon the covered **auto**;

Paragraph 1. (a) above only applies to liability assumed under a contract or agreement.

- (2) Before the **pollutants** or any property in which the **pollutants** are contained are moved from the place where they are accepted by the **Insured** for movement into or onto the covered **auto**; or
- (3) After the **pollutants** or any property in which the **pollutants** are contained are moved from the covered **auto** to the place where they are finally delivered, disposed of or abandoned by the **Insured**.

Paragraphs (2) and (3) above do not apply to occurrences that occur away from premises owned by or rented to an Insured with respect to pollutants not in or upon a covered auto if:

- (1) The **pollutants** or any property in which the **pollutants** are contained are upset, overturned or damaged as a result of the maintenance or use of a covered **auto**; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the **pollutants** is caused directly by such upset, overturn or damage.

Paragraphs a. and b. of this exclusion do not apply to:

- (1) **Bodily injury** or **property damage** caused by heat, smoke or fumes from a **hostile fire**;
- (2) **Bodily injury** or **property damage** arising out of the unintentional discharge, dispersal, seepage, migration, release or 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 a covered **auto** or **mobile equipment** or its parts, if such fuels, lubricants or other operating fluids escape from the **auto** or **mobile equipment** part designed to hold, store or receive them; or
- (3) **Bodily injury** if sustained within a building which is or was at any time owned or occupied by, or rented to or loaned to, any **Insured**, but only so long as the **bodily injury**, was caused by smoke, fumes, vapors or soot from equipment used to heat, cool or dehumidify that building.

#### 6. **Personal injury** or **advertising injury**:

- a. Arising out of electronic or other publication, transmission, dissemination or storage of material, if done by or at the direction of the **Insured** with knowledge of its falsity;
- b. Arising out of electronic or other publication, transmission, dissemination or storage of material whose first publication, transmission, dissemination or storage took place before the beginning of the policy period; or

- c. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the **Insured**; or
- d. Arising out of the infringement of copyright, patent, trademark, trade dress, trade secret, service mark, slogan, or other intellectual property rights.

However, paragraph d. of this exclusion does not apply to infringement, in **your** advertisement, of copyright, trademark, trade dress, service mark or slogan.

7. **Property damage** to:

- a. Property owned, rented or occupied by any **Insured**;
- b. Property loaned to any **Insured**;
- c. Premises **you** sell, give away, or abandon, if the **property damage** arises out of any part of those premises or personal property in the care, custody, or control of any **Insured** except property in the possession of persons at time of arrest or incarceration.

8. **Property damage** to **your product** arising out of it or any part of it.

9. **Property damage** to **your work** arising out of it or any part of it and included in the **products completed operations hazard**.

10. **Property damage** to **impaired property** or property not physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or
- b. A delay or failure by **you** or anyone acting on **your** 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.

11. **Bodily injury, personal injury, advertising injury, or property damage** arising directly or indirectly out of, resulting from, caused or contributed to by electromagnetic radiation, provided that such loss, cost or expense results from or is contributed to by the hazardous properties of electromagnetic radiation. This includes any costs for the actual or threatened abatement, mitigation, or removal.

12. **Bodily injury, personal injury, advertising injury, or property damages** arising from any investigation, claim, **suit** or other proceeding seeking relief or redress in any form other than money damages, including but not limited to, costs, fees, or expenses which the **Insured** may become obligated to pay as a result of a consent decree, settlement or adverse judgment for declaratory relief or injunctive relief.

13. Note: The following exclusion does not apply to the extent coverage is provided by the Medical Incident Liability for which coverage is provided on a claims-made basis.

- a. **Bodily injury, personal injury, advertising injury, or property damages** arising out of the rendering of or failure to render medical or paramedical services to persons:
  - (1) By any physician, physician assistant, dentist, nurse, athletic trainer or coach, emergency medical technician, first aid attendant or paramedic who is employed by **you** to provide such services; or

- (2) By any third party emergency medical technician, first aid attendant or paramedic providing services to **you** under a mutual aid agreement.

This exclusion does not apply to any employee other than those referenced in paragraph (1) above.

- b. For Medical Incident Liability provided as a claim-made coverage, this insurance does not apply to **claims(s)** or **suits**:

- (1) Based upon or arising out of, any **claim(s)** alleging a **medical incident(s)** which is the subject of any notice given under any policy or policies the term of which has expired prior to the inception date of this Endorsement.

- (2) Based upon or arising out of any **medical incident(s)** or a series of **related medical incident(s)** that took place prior to the retroactive date, provided that any person specifically referenced knew or reasonably should have foreseen that such **medical incident(s)** or a series of **related medical incident(s)** would give rise to a **claim(s)**.

14. **Bodily injury, personal injury, advertising injury, or property damage** arising out of the design, manufacture, assembly, maintenance, sale, service, ownership or operation of any watercraft; however, this exclusion shall not apply to:

- a. Non-submersible watercraft up to twenty-six (26) feet in length;

- b. Rowing or sculling shells; or

- c. Watercraft chartered with crew for recreational purposes for a period of up to twelve (12) hours on a U.S. Coast Guard-approved and commercially-licensed vessel operated in U.S. waters, but this limited grant of coverage does not apply to any claim relating to liability of others:

- (1) Assumed by an **Insured**; or

- (2) In any way involving an owner, operator or crewmember of any watercraft or to such person's estate.

This exclusion does not apply to watercraft while ashore on premises **you** own or rent.

15. **Bodily injury, personal injury, advertising injury or property damage** arising out of or in connection with the operation of any hospital, nursing home, continuum of care facility or other health care facility in which overnight care is provided or any medical facility which is, in whole or in part, owned, managed or operated by such hospital, nursing home, continuum of care facility or other overnight health care facility. This exclusion applies to liability which the **Insured** has assumed under any contract arising out of or in connection with the operation of any hospital, nursing home, or other overnight health care facility, continuum of care facility or any medical facility which is, in whole or in part, owned, managed or operated by any hospital, nursing home, continuum of care facility or other overnight health care facility. However, this exclusion shall not apply to **your** student health center.

16. **Bodily injury, personal injury, advertising injury, or property damage** arising out of the ownership, maintenance or use, including all related operations, or property in which **you** are acting in a fiduciary or representative capacity.

17. **Bodily injury or personal injury** that the **Insured** is obligated to pay, including costs or expenses, arising out of, resulting from, caused by or contributed to by any experiments performed on human beings. This includes but is not limited to clinical trials and or medical studies.

18. **Idaho Immunity and Statutory Damages Cap.**

- a. This policy does not provide coverage for any **ultimate net loss** in connection with any claim made or **suit** brought against the **Insured** arising from any **occurrence, offense** or **automobile hazard** for which the **Insured** has immunity under Idaho common law or statutory law.
- b. The existence of this policy in no way serves as a waiver by the **Insured** of any full or partial immunity. However, if:
  - (1) A court, which has jurisdiction to enforce a judgment over the **Insured**, determines for any reason, other than the mere existence of this policy, that the **Insured** is not entitled to immunity under Idaho common law or statutory law; or
  - (2) The **Insured's** counsel determines in a written legal opinion, which must be provided to **us**, that there is no good faith basis to assert an immunity defense to a claim or **suit** and **we** agree to such determination;

**we** agree to indemnify the **Insured** for **ultimate net loss** in accordance with the terms and conditions of this policy and subject to the endorsements **limit(s) of Insurance**. **We** will indemnify the **Insured** for any **claim expenses** incurred in accordance with the terms and conditions of this endorsement.

- c. Costs or expenses because of any **wrongful act(s)** arising directly or indirectly out of:
  - (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
  - (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data**.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by any **Insured** or others arising out of that which is described in paragraph 1. or 2. above.

19. **Bodily injury, personal injury, advertising injury or property damage** arising out of:

- a. Any act or omission of any federal, state or local law enforcement department, agency or detention facility, including their law enforcement officials, officers, reserve officers, detention officers, agents, employees or volunteers;
- b. Any act or omission of **your** campus security department, agency or detention facility, including their officers, agents, employees or volunteers; or.
- c. The ownership, maintenance or use of any part of **your** premises that are dedicated to law enforcement or campus security activities.

20. The following exclusions apply specifically to Garagekeeper's Legal Liability Coverage.

- a. This insurance does not apply to:
  - (1) **Contractual Liability**. Liability arising from any contractual obligation by which the **Insured** accepts responsibility for **loss**.

(2) **Theft. Loss** due to theft or conversion caused in any way by **you, your** employees or any other **Insured**.

(3) **Defective Parts.** Defective parts or materials.

(4) **Faulty Work** Faulty work performed by:

(a) **You**;

(b) Any other **Insured**; or

(c) Any other person or entity on **your** or any other **Insured's** behalf.

Faulty work also includes the providing of or failing to provide warnings or instructions by:

(d) **You**;

(e) Any other **Insured**; or

(f) Any other person or entity on **your** or any other **Insured's** behalf.

(5) **Loss** to a **customer's auto** or its equipment if such **customer's auto** is not in **your** care for **garage operations**.

b. **We** will not pay for **loss** to any of the following:

(1) Tape decks or other sound-reproducing equipment unless permanently installed in a **customer's 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 antenna and other accessories, unless permanently installed in the dash or console opening normally used by the **customer's auto** manufacturer for the installation of a radio.

(4) Any device designed or used to detect speed-measuring equipment, such as radar laser detectors and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

21. The following exclusions apply specifically to Employers Liability:

a. Bodily injury or personal injury to:

(1) An employee of the Insured arising out of an in the course of employment by the Insured; or

(2) The spouse, child, parent, brother or sister of that employee as a consequence of paragraph (1) above.

b. This exclusion applies:

(1) Whether the Insured may be liable as an employer or in any other capacity; and

(2) To any obligations to share damages with or repay someone else who must pay damages because of such bodily injury or personal injury.

22. It is agreed that this insurance does not apply to **ultimate net loss** for which an **Insured** may become legally obligated to pay because of **bodily injury** or **property damage** arising from the **automobile hazard**.

## SECTION II – WHO IS AN INSURED

A. **You** are an **Insured**

B. Each of the following is an **Insured**:

1. All persons who were, are now, or will be **your** Directors, Officers, Trustees, Chancellors, or Provosts, or any equivalent position.
2. All of **your** current, former, or future employees including full and part time faculty members while acting within the scope of their duties as determined by **you** and under **your** direction and control and also while serving as a member of a committee or representative to an education association of which **you** are a member.
3. All persons who perform a service on a volunteer basis for **you**, provided such performance is under **your** direction and control. This does not include any person working on retainer or as an independent contractor.
4. Student Organizations including those involved with radio, television and publishing, but only those organizations formally recognized by the **Named Insured** as student organizations.
5. Students, but only with respect to liability while serving student practicum or job shadowing program approved by you in satisfaction of course requirements and while acting under your direction and control or under the direction and control of any sponsoring or participating unaffiliated person, entity or organization included as an additional Insured to this policy and, when such student practicum or job shadowing program is in connection with medical or other allied health operations or activities, the supervising Insured must be a licensed medical professional.
6. The estate of any person in 1. through 5. above; and the spouse of any person in 1. through 5. above, but only to the extent that the spouse is involved in claims brought under this endorsement solely due to his/her status as a spouse.

C. Any person legally responsible for the use of an **auto**:

1. Owned by **you**; or
2. Rented, leased, loaned, borrowed, hired, and utilized in furtherance of **your** business with **your** knowledge and consent.

D. Any person, entity, or any organization while acting as **your** real estate manager.

E. With respect to **mobile equipment** or any **auto**, any person is an **Insured** while driving such **auto** or **mobile equipment** with **your** permission. Any person, entity, or organization responsible for the conduct of such person is also an **Insured**, but only with respect to **bodily injury** or **property damage** arising out of the operation of the **auto** or **mobile equipment**. However, the owner or anyone else from whom **you** hire or borrow an **auto** is an **Insured** only if that **auto** is a trailer connected to an **auto you** own.

However, no person, entity, or organization is an **Insured** under this paragraph E. with respect to:

1. **Property damage** to property owned by **you** or the employer of any person who is an **Insured** under this provision;
  2. Any **auto you** hire or borrow from one of **your** employees, volunteers or members of their households, if they are the owner of such **auto**, unless acting within the scope of their duties on **your** behalf;
  3. Any **auto** being used by a person employed in the business of selling, servicing, repairing, or parking **autos** unless they are **your** employees; or
  4. The movement of property to or from an **auto** except **you, your** employees, lessees or borrowers of such **auto**, and any employee of the lessees or borrowers.
- F. Additional Insured(s) through written contracts or agreements exclusive to your approved student practicums or job shadowing programs:
1. Any unaffiliated person, entity or organization who is sponsoring or participating in a supervised student practicum or job shadowing program approved by **you** and exclusively involving **your** students will be included as an additional **Insured(s)** but only where **you** have agreed in a written contract or agreement to include such unaffiliated person, entity or organization as an additional **Insured(s)**. Further, the insurance provided to such additional **Insured(s)** is limited to **bodily injury, personal injury, advertising injury, or property damage** arising out of, caused, in whole or in part, by or contributed to by the acts, errors or omissions of **your** students while serving in a supervised student practicum or job shadowing program approved by **you** and while acting under the direction and control of such sponsoring or participating additional **Insured(s)**. However, this insurance does not apply to **bodily injury, personal injury, advertising injury or property damage** arising out of:
    - a. The sole negligence by the additional **Insured(s)** with respect to a supervised student practicum or job shadowing program, including but not limited to, any licensed medical professional.
    - b. Any **occurrence** which takes place after (i) this policy's cancellation date, or (ii) cancellation date of this endorsement, or (iii) the date the written contract or agreement is terminated by either party, whichever occurs first.
  2. With respect to the insurance provided by Paragraph 1. above, this insurance will be limited to the extent of coverage and limits of liability required by the written contract or agreement and will not increase the limit(s) stated in SECTION III - LIMITS OF INSURANCE or alter any of the terms of coverage stated in this endorsement. The written contract or agreement must be effective and executed by **you** prior to a covered **occurrence**.
- G. However, no employee is an **Insured** for **bodily injury or personal injury** to **you** or to a co-employee while in the course of his or her employment, or the spouse, child, parent, brother or sister of that co-employee as a consequence of such **bodily injury or personal injury** or for any obligation to share damages with or repay someone else who must pay damages because of such **bodily injury or personal injury**.

### SECTION III – LIMITS OF INSURANCE

- A. This endorsement limit of insurance is \$1,000,000 for each occurrence or claim except as stated in any sublimit listed within this endorsement.
- B. This endorsement limit is \$2,000,000 for all claims and occurrences combined in the annual aggregate.

- C. Those garage locations approved by you that are used as part of the supervised student practicum or job shadowing programs are covered up to each Customer's automobile limit up to \$25,000 per occurrence and \$1,000,000 in the aggregate limit.
- D. The each **occurrence Limit of Insurance** is the most **we** will indemnify the **Insured** for **ultimate net loss** under this endorsement for any single **occurrence**. Subject to the preceding sentence, the endorsement Aggregate Limit is the most **we** will indemnify the **Insured** for all **ultimate net loss** during the policy period for all covered **occurrences**, except **ultimate net loss** because of **bodily injury** or **property damage** arising from the **automobile hazard**.
- E. The **Limit(s) of Insurance** applies separately to each consecutive annual period, and to any remaining period of less than twelve (12) months, starting with the beginning of the policy period shown, unless the policy period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the **Limit(s) of Insurance**.

#### SECTION IV – DEFINITIONS

- A. **Advertising injury** means injury arising out of one or more of the following **offenses** committed in the course of advertising **your** goods, products or services:
  - 1. Electronic or other publication, transmission, dissemination or storage of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services;
  - 2. Electronic or other publication, transmission, dissemination or storage of material that violates a person's right of privacy;
  - 3. Misappropriation of advertising ideas or style of doing business; or
  - 4. Infringement of another's copyright, trademark, trade dress, service mark, or slogan in **your** advertisement
- B. **Auto** means:
  - 1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
  - 2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, an **auto** does not include:

- a. **Mobile equipment**;
  - b. Battery-powered, solar, experimental, or other non-traditionally-powered vehicles developed as part of **your** educational program wherever operated for whatever purpose; or
  - c. Motorized land vehicles designed principally for off-road use and which are not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.
- C. **Automobile hazard** means **bodily injury** or **property damage** arising out of the ownership, use (including maintenance or repair), **loading or unloading** of any **auto**.

D. **Bodily injury** means bodily injury, sickness, disease, shock, fright, mental injury or anguish, emotional distress or disability sustained by a natural person, including death resulting from any of these at any time. It also includes **bodily injury** arising out of the rendering of or failure to render medical or paramedical services to persons by any employee in an occupation other than those referenced in Exclusion 21. a.

E. **Claim expenses** mean:

1. Claim investigation costs;
2. Legal expenses; or
3. Litigation costs, including but not limited to **pre-** and **post-judgment interest** as required by law on awards and judgments and the cost of bonds to release attachments or to appeal without any obligation to furnish such bonds which are reasonable in amount and can be directly allocated to the defense of an **Insured** against a specific claim or **suit** to which this endorsement applies.

Claim expenses also includes reasonable attorney fees and necessary litigation expenses incurred which are the **Insured's** obligation under a written contract or agreement in the defense of an indemnitee or incurred by an indemnitee at the **Insured's** request.

Claim expenses do not include salaries and expenses of any **Insured** (including affiliate or subsidiary organizations of any **Insured**), annual retainers, overhead, and any fees paid for claim administration.

F. **Electronic data** means information, facts or programs stored as or on, created or used on, transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

G. **Hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be.

H. **Impaired property** means tangible property, other than **your product** or **your work** that cannot be used or is less useful because:

1. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
2. **You** have 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. **Your** fulfilling the terms of the contract or agreement.

I. **Loading or unloading** means the handling of property:

1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft, **auto** or **mobile equipment**;
2. While it is in or on an aircraft, watercraft, **auto** or **mobile equipment**; or
3. While it is being moved from an aircraft, watercraft, **auto** or **mobile equipment** 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, **auto** or **mobile equipment**.

J. **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 designed 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, with 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 1., 2., 3., or 4. immediately preceding 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 1., 2., 3., or 4. of this section 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 automobiles 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.

However, **mobile equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

K. **Non-employment harassment** means actual or alleged unwelcome or offensive verbal or physical conduct, including sexual molestation, against anyone other than a present or former employee of, or an applicant for employment with, the **Named Insured** and shall include any alleged failure to prevent such conduct.

- L. **Occurrence** means:
1. With respect to **bodily injury** and **property damage**, an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
  2. With respect to **personal injury** and **advertising injury**, an **offense** or series of related **offenses**.
- M. **Offense** means any of the **offenses** included in the definitions of **advertising injury** or **personal injury**.
- N. **Parking lot and parking garage** mean:
1. Those areas **you** own and operate that are used by the general public, including **your** employees or students, to park **autos** or **mobile equipment** whether or not a fee is charged; and
  2. Those areas where **you**, or an **Insured** on **your** behalf, are exercising physical control over such **autos** or **mobile equipment** or otherwise where **your** legal liability has been established.
- O. **Personal injury** means injury, other than **bodily injury**, arising out of one or more of the following **offense** committed during the conduct of **your** operations:
1. False arrest, detention or imprisonment;
  2. Malicious prosecution;
  3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
  4. Electronic or other publication, transmission, dissemination or storage of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or
  5. Electronic or other publication, transmission, dissemination or storage of material that violates a person's right of privacy.
- P. **Pre-judgment interest** means interest added to a settlement, verdict, award or judgment based on the amount of time prior to the settlement, verdict, award or judgment whether or not made part of the settlement, verdict, award or judgment.
- Q. **Post-judgment interest** means interest of the full amount of any settlement, verdict, award or judgment that accrues after entry of the settlement, verdict, award or judgment and before **we** have paid, offered to pay, or deposited in court the part of the settlement, verdict, award or judgment that is within the applicable **Limit(s) of Insurance**.
- R. 1. **Products-completed operations hazard** includes all **bodily injury** and **property damage** occurring away from premises **you** own or rent and arising out of **your product** or **your work** except:
- a. Products that are still in **your** physical possession; or
  - b. Work that has not yet been completed or abandoned.
2. **Your work** will be deemed completed at the earliest of the following times:
- a. When all of the work called for in **your** contract has been completed.

- b. When all of the work to be done at the site has been completed if **your** contract calls for work at more than one site.
- c. 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.

- 3. This hazard 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 created by the **loading or unloading** of it;
  - b. The existence of tools, uninstalled equipment or abandoned or unused materials.

S. **Property damage** means:

- 1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
- 2. Loss of use of tangible property that has not been physically injured. All such loss of use will be deemed to have occurred at the time of the **occurrence** that caused it.

For the purposes of this insurance, **electronic data** is not tangible property.

T. **Suit** means a civil proceeding in which damages because of **bodily injury, personal injury, advertising injury, or property damage** to which this Coverage Part applies are alleged. **Suit** includes:

- 1. An arbitration proceeding alleging such damages; or
- 2. Any other alternative dispute resolution proceeding alleging such damages.

U. **Tort liability** means a liability that would be imposed by law for injury or damage to persons or property in the absence of any contract or agreement.

V. **Ultimate net loss** means the total amount of damages, including any punitive or exemplary damages when not against public policy and attorney fees awarded in favor of third parties, the **Insured** is legally liable to pay because of **bodily injury, personal injury, advertising injury, or property damage. Ultimate net loss** also includes related **claims expenses. Ultimate net loss** shall be established after a contested **suit** or by a compromise settlement to which **we** have previously agreed in writing. **Ultimate net loss** shall be reduced by any recoveries or salvages which have been paid to or collected by **us**.

W. **Vandalism and/or malicious mischief** means the intentional interference with, damage to or destruction of property by one or more persons or entities not employed by, affiliated with or subject to:

- 1. **Your** direction or control; or
- 2. The direction or control of any person or entity for whom **you** may be legally responsible.

X. **Your product** means:

- 1. Any goods, or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- a. **You**;
  - b. Others trading under **your** name; or
  - c. A person or organization whose business or assets **you** have acquired; and
2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**Your product** includes:

1. Its design, formulation, construction or manufacture;
2. Warranties or representations made at any time with respect to the fitness, quality, durability, or performance of **your product**; and
3. The providing of or failure to provide warnings or instructions.

**Your product** does not include property rented to or located for the use of others but not sold.

Y. **Your work** means:

1. Work or operations performed by **you** or on **your** behalf; and
2. Materials, parts or equipment furnished in connection with such work or operations.

**Your work** includes:

1. Its design, formulation or construction;
2. Warranties or representations made at any time with respect to the fitness, quality, durability, or performance of **your work**; and
3. The providing of or failure to provide warnings or instructions.

Z. **Customer's auto** means a customer's land motor vehicle or trailer or semi-trailer lawfully within **your** possession for sale, service, repair, parking, storage or safekeeping, with or without the vehicle owner's knowledge or consent. A **customer's auto** also includes any such vehicle left in **your** care by **your** employees and members of their households who pay for services performed.

AA. **Loss** means direct and accidental loss or damage and includes any resulting loss of use.

BB. **Garage operations** means the ownership, maintenance or use of a location(s) shown in the Schedule for the business purpose of selling, servicing, repairing, parking or storing **customer's autos** and that portion of the roads or other accesses that adjoin the Scheduled location(s). **Garage operations** also include all operations necessary or incidental to the performance of garage operations.

CC. **Claim(s)** means a suit or demand made by or for the injured person for monetary damages because of alleged injury caused by a medical incident(s) or a series of related medical incident(s).

DD. **Medical incident(s)** means any act, error or omission in the providing of or failure to provide:

1. **Professional medical services** by the **Insured**; or
2. Medical or allied health services by **your** students, who are **Insureds**, while serving in a supervised student practicum or job shadowing program approved by **you** in satisfaction of course

requirements and while acting under **your** direction and control or under the direction and control of any sponsoring or participating unaffiliated person, entity or organization included as an additional **Insured** to this policy.

EE. **Professional medical services** means furnishing medical or paramedical services by any physician, physician assistant, dentist, nurse, athletic trainer or coach, emergency medical technician, first aid attendant or paramedic who is employed by **you** or who qualifies as additional **Insured** under this policy but only in providing educational instruction as part of any student practicum or job shadowing program approved by **you**.

FF. **Related medical incident(s)** means **medical incident(s)** which have as a common nexus any fact, circumstance, situation, event, transaction or series of facts, circumstances, situations, events or transactions.

GG. **Indemnify, indemnification, or indemnity** of the **Insured for ultimate net loss** in excess of the Insured's retained limit also means: pay on behalf of, payment or pay where applicable.

**Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated.**

## SECTION V – PARTICIPATING PROVISION ENDORSEMENT ISBA Dividend # 8

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As a member of the Idaho School Boards Association (ISBA) and a member of the Idaho Counties Risk Management Program (ICRMP), **you** are eligible to participate in any program dividend declared by **us** from earnings related to this policy. The extent and conditions of the dividend will be determined by formula negotiated and agreed to by ISBA and **us**. This dividend shall be based upon the combined property **loss** experience of all ISBA members in the Public Education Policy during the policy term. Provided **you** have complied with the terms of the policy with respect to the payment of member contributions, **your** pro rata portion of the dividend shall be based upon the percentage of earned member contribution **you** paid in relationship to the total earned member contribution paid by all ISBA Members in the Public Education Policy program.

**Your** pro rata portion of the dividend shall be paid to **you** by the ISBA, on behalf of ICRMP, beginning no later than 60 days after the expiration of this policy, whether or not **you** remain a member of ICRMP at the time the dividend is paid. The calculation of **your** portion of the dividend is available upon **your** written request to:

Idaho School Boards Association  
P.O. Box 9797  
Boise, 10 83707

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

## SECTION VI – GENERAL LIABILITY AMENDATORY ENDORSEMENT Terrorism Liability Coverage # 9

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### Section VI General Liability is amended by the following:

#### With respect to Insuring Agreement 1:

We agree to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** because of **bodily injury** or **property damage** caused by an act of **terrorism**. This coverage is sublimited to \$500,000 per **occurrence**. The limits of indemnification shall be reduced by all sums paid by worker's compensation benefits or similar disability law if the claimant is **your** employee or volunteer.

For the purpose of this endorsement, **terrorism** means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes

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

## SECTION V – PROPERTY AMENDATORY ENDORSEMENT Asbestos Remediation Endorsement # 10

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

**Section V does not cover:**

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

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

# ACTIVE SHOOTER ENDORSEMENT #11

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## A. INSURING AGREEMENT

We will pay any **costs** incurred on behalf of the **named insured** from the use of **crisis management resources** following an **incident**, as defined herein, which first occurred during the policy period.

We will reimburse **costs** incurred by **you**, as covered herein, directly to **you** for **crisis management resources** as defined.

## B. DEFINITIONS

1. **Crisis management resources** means any public relations firm or crisis management firm used by the named insured during the crisis. This includes:
  - a) Public Relations Firm,
  - b) Crisis Management Firm,
  - c) Incident Response Team,
  - d) Psychological counselling,
  - e) Environmental clean-up team,
  - f) Salvage and recovery clean up team,
  - g) Funeral expenses.
2. **Costs** means fees used to hire the services of **crisis management resources**.
3. **Incident** can be defined only by the following named event:
  - a) On campus violence resulting from an active shooter causing bodily injury to students, insured's or other persons while on **your** premises.

## C. LIMITS OF INSURANCE

The limit of insurance for reimbursement for specified **costs** related to **crisis management resources** is \$250,000 per incident and in the aggregate in during one policy period.

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

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# **ICRMP** *Multi-Lines* **Insurance Policy**

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This Policy of Insurance is issued by ICRMP for all Public Education Members to be effective 12:01 A.M., July 1, 2016 for one-year thereafter, unless sooner terminated, for all Members pursuant to and consistent with the Joint Powers Subscribers Agreement approved by the ICRMP Board of Trustees to be effective for the policy year beginning at the time above stated.

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