

NOTICE OF REGULAR MEETING

THE STATE OF TEXAS
COUNTY OF SUTTON

NOTICE is hereby given that there will be a regular meeting of the Commissioners' Court of Sutton County, Texas, to be held on **TUESDAY, OCTOBER 12, 2021 at 9:00 AM.**, in the meeting room of the Sutton County Annex, Sonora, Texas. Subject of the meeting shall be consideration and possible action of the below items:

- _____ Prayer
- _____ Public Comment
- _____ Accounts Payable
- _____ Auditor's Report
- _____ Public officials, property, vehicle & equipment liability insurance and worker's compensation renewal
- _____ EMS Report
- _____ JP Report
- _____ Jailer's and Sheriff's Report
- _____ Road and Bridge Report
- _____ Library Report
- _____ Extension Office Report
- _____ Nomination of Appraisal District director
- _____ Maintenance personnel salary
- _____ Advertisement for full-time Court Assistant-County Judge's Office
- _____ Paralegal salary-County Attorney
- _____ Clarification, possible amendment to Sutton County Cemetery Rules & Regulations
- _____ Commissioners' Report
- _____ County Attorney's Report
- _____ County Clerk's Report
- _____ County Judge's Report
- _____ Adjourn



RACHEL CHAVEZ DURAN, County Judge

POSTED ON THE BULLETIN BOARD IN THE COURTHOUSE ANNEX and the SUTTON COUNTY WEB PAGE
www.co.sutton.tx.us this the 7th day of October 2021.



PAM THORP, County Clerk

Line-item Transfer Amendment

Date: 9/23/2021

Honorable Commissioners Court of Sutton County:

I submit to you for your consideration the following line-item transfers:

	FUND	DEPT.	ACCT.	AMT.
From:	<u>10-5</u>	<u>465</u>	<u>4110</u>	\$600.00
	"Prof. Svcs."			
To:	<u>10-5</u>	<u>465</u>	<u>3100</u>	\$600.00
	"Office Supplies"			

Reason: Need to cover the Scott & Merriman Inc. Bill for Office Supplies - Blue Criminal Folders.

Laurie K. English
Department Head

Rachel Crain
Approved: County Judge for
Commissioners Court

Lou Thompson
Attest: County Clerk

Date
Maura Weingart
Maura Weingart-County Auditor

10/12/21
Date
10-12-2021
Date

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1	BEN H. ENGLISH I-09222021-BOOKS I-092421-PH I-168201 I-6290-PEPPERMINT I-8684/8690 I-DKT014-077709 I-TS220215 I-VA7097	BEN H. ENGLISH: PETRA HERNANDEZ: SONORA ANIMAL HOSPITAL: PEPPERMINT: SANDRA FUENTES: ANNA M COX: TX STATE LIB ARCHIVES COMM: VIRTUAL ACADEMY:	R	0/00/0000		81.00CR 64.00CR 45.00CR 100.00CR 500.00CR 39.00CR 95.00CR 885.00CR	000000 000000 000000 000000 000000 000000 000000 000000	1,809.00
1037	APPLIED CONCEPTS, INC I-391557 I-391558	SHERIFF RADAR SHERIFF RADAR	R	0/00/0000		81.25CR 547.92CR	000000 000000	629.17
1043	AT&T MOBILITY I-4365-082021 I-4365-090121 I-5468-090121	CO JUDGE CELL SERVICE CO JUDGE CELL SERVICE AUDITOR'S CELL SERVICE	R	0/00/0000		54.84CR 54.44CR 50.96CR	000000 000000 000000	160.24
1044	ORLANDO DEHOYOS I-04-54-00240-CV	DISTRICT COURT APPT ATTORNEY	R	0/00/0000		1,280.00CR	000000	1,280.00
1048	BAKER & TAYLOR, INC. I-5017251192 I-5017251193	LIBRARY BOOKS LIBRARY BOOKS	R	0/00/0000		86.64CR 9.20CR	000000 000000	95.84
1050	BEN E KEITH-DFW I-10406050 I-10423114	JAIL FOOD JAIL FOOD	R	0/00/0000		473.69CR 563.50CR	000000 000000	1,037.19
1054	PARKER LUMBER I-1459052 I-1490475	CEMETERY R/M SUPPLIES PARK R/M SUPPLIES	R	0/00/0000		70.95CR 21.48CR	000000 000000	92.43
1067	BREWER REFRIGERATION I-364129	JAIL ICE MACHINE RENTAL	R	0/00/0000		93.00CR	000000	93.00
1083	CHARLES MCDONALD I-331 I-332 I-333	NONDEPT OSSF INSP PERMIT EXP NONDEPT OSSF INSP PERMIT EXP NONDEPT OSSF INSP PERMIT EXP	R	0/00/0000		325.00CR 325.00CR 325.00CR	000000 000000 000000	975.00

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1090	QUILL CORPORATION I-19725498	LIBRARY OPERATING SUPPLIES	R	0/00/0000		63.86CR	000000	63.86
1091	CHASE CARD SERVICE I-0634 FEES I-0634-082621 I-0634-LODGING-0821	EXTENSION LATE FEE CHARGES CIVIC CENTER R/M SUPPLIES EXTENSION LODGING EXPENSE	R R R	0/00/0000 0/00/0000 0/00/0000		31.03CR 21.62CR 77.96CR	000000 000000 000000	130.61
1093	RACHEL DURAN I-10062021-RD I-CTR-RD-10062021	CO JUDGE REIMB OPC SUPP/FURNIT CO JUDGE REIMB R/M CTH/ANNEX	R R	0/00/0000 0/00/0000		698.51CR 179.91CR	000000 000000	878.42
1107	CONCHO VALLEY TRANSIT DISTRICT I-OCT 2021 SU I-SEPT 2021 SU	CVTD OCTOBER 2021 CVTD SEPT 2021	R R	0/00/0000 0/00/0000		3,141.33CR 3,141.33CR	000000 000000	6,282.66
1123	DAVID WALLACE I-09292021-CO ATTY	CO ATTY POSTAGE REIMB	R	0/00/0000		62.78CR	000000	62.78
1128	DEMCO I-7016048	LIBRARY OPERATING SUPPLIES	R	0/00/0000		51.71CR	000000	51.71
1178	GONZALO P RIOS I-12099	COUNTY COURT APPT ATTORNEY	R	0/00/0000		825.00CR	000000	825.00
1180	GREAT AMERICA LEASING CORP I-30113202 I-30119623	CSCD OFFICE COPIER SHERIFF OFFICE COPIER	R R	0/00/0000 0/00/0000		201.08CR 227.20CR	000000 000000	428.28
1188	SPRINT I-645388810-166	EXTENSION AGENT CELL SERVICE	R	0/00/0000		47.83CR	000000	47.83
1212	JARVIS A WRIGHT, PH.D. I-2021123	SHERIFF DISPATCHER SCREENING	R	0/00/0000		300.00CR	000000	300.00
1224	JODY HARRIS I-09282021-JP	JP OFFICE SUPPLIES	R	0/00/0000		405.26CR	000000	405.26
1231	TEXAS WILDLIFE DAMAGE MANAGEMENT I-252992	ANIMAL DAMAGE CONTROL PROGRAM	R	0/00/0000		9,600.00CR	000000	9,600.00
1240	Ke J CONTROL, INC I-132665 I-132954	CIVIC CENTER R/M SUPPLIES LIBRARY R/M SUPPLIES	R R	0/00/0000 0/00/0000		25.00CR 30.00CR	000000 000000	55.00

PAID: 06/01/2021 10:00:00 AM
 VENDOR SET: 01 GENERAL CASH
 BANK : 10

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1256	TOTAL OFFICE SOLUTION	COUNTY JUDGE OFFICE SUPPLIES	R	0/00/0000		262.49CR	000000	
	I-EA320795	TAX ASSESSOR OFFICE SUPPLIES	R	0/00/0000		540.88CR	000000	
	I-EA321945	AUDITOR OFFICE SUPPLIES	R	0/00/0000		14.10CR	000000	
	I-EA322081	LIBRARY OPERATING SUPPLIES	R	0/00/0000		20.76CR	000000	
	I-EA322151	CO JUDGE OFFICE SUPPLIES	R	0/00/0000		122.99CR	000000	
	I-EA322236	JP OFFICE SUPPLIES	R	0/00/0000		74.79CR	000000	
	I-EA322717	SHERIFF COPIER USAGE	R	0/00/0000		116.91CR	000000	
	I-EA322859	EXTENSION OFFICE COPIER	R	0/00/0000		58.12CR	000000	
	I-EA322861	LIBRARY COPIER USAGE	R	0/00/0000		185.62CR	000000	
	I-EA322862	LIBRARY COPIER	R	0/00/0000		37.52CR	000000	1,434.18
	I-EA322863	CSCD OFFICE COPIER	R	0/00/0000				
1264	U.S. POSTAL SERVICE	JP P.O. BOX RENT	R	0/00/0000		160.00CR	000000	
	I-159 JP	JP POSTAGE	R	0/00/0000		348.00CR	000000	508.00
	I-JP 10042021							
1265	LONGHORN OFFICE PRODUCTS	TAX ASSESSOR OFFICE SUPPLIES	R	0/00/0000		31.91CR	000000	
	I-465141-0	NONDEPT COPIER PAPER	R	0/00/0000		80.00CR	000000	
	I-465428-0	JP OFFICE SUPPLIES	R	0/00/0000		79.19CR	000000	191.10
	I-465704-0							
1267	UNIFIRST HOLDINGS LP	LIBRARY R/M SUPPLIES	R	0/00/0000		13.30CR	000000	
	I-0311497	CIVIC CENTER R/M SUPPLIES	R	0/00/0000		61.15CR	000000	
	I-0311498	JAIL R/M SUPPLIES	R	0/00/0000		27.37CR	000000	
	I-0311499	JAIL R/M SUPPLIES	R	0/00/0000		49.62CR	000000	151.44
	I-0311500							
1279	MASTERCARD CARD SERVICE CENTER	SHERIFF MISC INTEREST	R	0/00/0000		24.45CR	000000	
	I-0508- MISC 092321	SHERIFF VEHICLE FUEL	R	0/00/0000		182.98CR	000000	
	I-0508-FUEL-092021	SHERIFF OFFICE FURNITURE	R	0/00/0000		47.99CR	000000	
	I-0508-FURN-092021	JP CIVIL PROCESS CLASS LODGING	R	0/00/0000		506.40CR	000000	
	I-0508-LODGING 0921	JAIL OPERATING SUPPLIES	R	0/00/0000		220.28CR	000000	
	I-0508-OPER SUPP	SHERIFF OFFICE SUPPLIES	R	0/00/0000		472.62CR	000000	
	I-0508-OS-090821	SHERIFF PRISONER TRANSFER	R	0/00/0000		29.76CR	000000	1,484.48
	I-0508-PT 09092021							
1292	WEST TEXAS STEEL & SUPPLY INC	JAIL FENCE	R	0/00/0000		109.20CR	000000	109.20
	I-540370							
1308	DEVILS RIVER NEWS	NONDEPT EMP NOTICE/TAX INCRSE	R	0/00/0000		207.50CR	000000	
	I-3843-CO JUDGE	SHERIFF EMPLOYMENT NOTICE	R	0/00/0000		45.00CR	000000	252.50
	I-3843-SHERIFF							

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1316	LOWES PAY AND SAVE	JAIL FOOD	R	0/00/0000		4.99CR	000000	
	I-119560-0922221	JAIL FOOD	R	0/00/0000		89.22CR	000000	
	I-119560-3611108	JAIL FOOD	R	0/00/0000		43.58CR	000000	
	I-119560-3611130	JAIL FOOD	R	0/00/0000		1.99CR	000000	
	I-119560-3611153	JAIL FOOD	R	0/00/0000		9.98CR	000000	
	I-119560-4311141	JAIL FOOD	R	0/00/0000		73.22CR	000000	222.98
	I-119560-4311167	JAIL FOOD	R	0/00/0000				
1321	SUTTON CO APPELLATE	SUTTON CO APPELLATE	R	0/00/0000		5.00CR	000000	5.00
	I-092721-093021							
1360	TEXAS ASSOCIATION OF COUNTIES	CO JUDGE MEMBERSHIP DUES	R	0/00/0000		200.00CR	000000	
	I-232199	COMM PCT 4 REGISTRATION FEES	R	0/00/0000		275.00CR	000000	475.00
	I-R317090-AUSTIN							
1376	WTG PUELS, INC.	RADIO TOWER REPEATER	R	0/00/0000		337.50CR	000000	337.50
	I-4343369							
1385	GOVERNMENT FORMS & SUPPLIES	JP OFFICE SUPPLIES	R	0/00/0000		1,007.88CR	000000	
	I-0329905	CLERK OFFICE SUPPLIES	R	0/00/0000		30.00CR	000000	1,037.88
	I-0329979							
1386	SNIDER TECHNOLOGY	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-23490	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-23785	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-24071	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-24394	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-24693	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-24998	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-25321	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-25636	SHERIFF IT SERVICES	R	0/00/0000		240.00CR	000000	
	I-25953	JP IT SERVICES	R	0/00/0000		1,099.00CR	000000	
	I-25955	LIBRARY IT SERVICES	R	0/00/0000		786.50CR	000000	
	I-25958	SHERIFF IT SERVICES	R	0/00/0000		1,149.00CR	000000	
	I-25959	TAX ASSESSOR IT SERVICES	R	0/00/0000		150.00CR	000000	
	I-25960	TAX ASSESSOR PHONE WIRING	R	0/00/0000		48.58CR	000000	12,665.08
	I-26085							
1403	CHAMBER OF COMMERCE	PAVILLION SEC DEP REIMB REQ	R	0/00/0000		500.00CR	000000	500.00
	I-2698							
1407	VGI TECHNOLOGY	JAIL CAMERAS/SOFTWARE	R	0/00/0000		60.00CR	000000	60.00
	I-I40893							

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1409	SONORA MEDICAL CLINIC I-02191962	JAIL INMATE MEDICAL FEES	R	0/00/0000		88.42CR	000000	88.42
1428	SHANNON CLINIC I-643222538	JAIL INMATE MEDICAL FEES	R	0/00/0000		235.11CR	000000	235.11
1430	PHARM HOUSE PIERCE SONORA I-326180	JAIL INMATE MEDICATIONS	R	0/00/0000		31.79CR	000000	31.79
1440	HCTC (HILL COUNTRY TELECOMMUNICATIONS I-364200-10012021 I-3694300-102021 I-3695100-100121 I-3695400-10012021 I-3695500-100121 I-3786700-100121	AUDITOR TREASURER PHONE SYS COUNTY JUDGE OFFICE CLERK OFFICE LIBRARY JP OFFICE EXTENSION OFC	R	0/00/0000		778.86CR 145.45CR 129.95CR 145.45CR 145.45CR 103.16CR	000000 000000 000000 000000 000000 000000	1,448.32
1470	ABC HEAT & A/C I-21-436	JAIL BUILDING MAINTENANCE	R	0/00/0000		461.00CR	000000	461.00
1480	AMG PRINTING & MAILING I-114460 I-QUOTE 012599	TAX ASSESSOR VOTER REGIST TAX ASSESSOR VOTER REGIST.	R	0/00/0000		70.00CR 682.69CR	000000 000000	752.69
1492	AUTOMATIC FIRE PROTECTION, INC I-800921	LIB AUTOMATIC FIRE ALARM MNTR	R	0/00/0000		50.00CR	000000	50.00
1494	TXU ENERGY I-4555-09152021 I-7398-09112021 I-8509-09212021 I-8870-09112021 I-8898-091121	CEMETERY GSCD OFFICE CIVIC CENTER LIBRARY JAIL/SHERIFF OFFICE	R	0/00/0000		166.88CR 105.90CR 950.99CR 443.72CR 1,415.80CR	000000 000000 000000 000000 000000	3,083.29
* * T O T A L S * *			NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED		
REGULAR CHECKS:			45	0.00	50,888.24	50,888.24		
HANDWRITTEN CHECKS:			0	0.00	0.00	0.00		
PRE-WRITE CHECKS:			0	0.00	0.00	0.00		
DRAFTS:			0	0.00	0.00	0.00		
VOID CHECKS:			0	0.00	0.00	0.00		
NON CHECKS:			0	0.00	0.00	0.00		
CORRECTIONS:			0	0.00	0.00	0.00		
REGISTER TOTALS:			45	0.00	50,888.24	50,888.24		

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1005	AIRGAS-USA LLC I-9117723845	FMFC OPERATING SUPPLIES	R	0/00/0000		172.00CR	000000	172.00
1043	AT&T MOBILITY I-4385-090121	FMFC CELL SERVICE	R	0/00/0000		45.86CR	000000	45.86
1067	BREWER REFRIGERATION I-364130	FMFC ICE MACHINE RENTAL	R	0/00/0000		160.00CR	000000	160.00
1126	DECOTY COFFEE COMPANY I-828958	FMFC MISC COFFEE ITEMS	R	0/00/0000		12.40CR	000000	12.40
1129	DEVILS RIVER AUTO PARTS I-15338-87348 I-15338-87374 I-15338-87394	FMFC REPAIRS FMFC REPAIRS FMFC REPAIRS	R R R	0/00/0000 0/00/0000 0/00/0000		38.14CR 29.91CR 19.26CR	000000 000000 000000	87.31
1141	REGAL OIL INC I-26-250417	FMFC FUEL	R	0/00/0000		2,764.63CR	000000	2,764.63
1266	UNIFIRS HOLDING-II I-0311432 I-0312219	FMFC EMPLOYEE UNIFORMS FMFC EMPLOYEE UNIFORMS	R R	0/00/0000 0/00/0000		16.77CR 16.77CR	000000 000000	33.54
1281	VULCAN CONSTRUCTION MATERIALS I-62358404	FMFC MTRLS FOR RDS/BRDGS	R	0/00/0000		1,741.97CR	000000	1,741.97
1290	WEST TEXAS GAS INC I-46332-082021	FMFC WAREHOUSE	R	0/00/0000		44.85CR	000000	44.85
1440	HCTC (HILL COUNTRY TELECOMMUNICATIONS I-3694900-10012021	FMFC WAREHOUSE	R	0/00/0000		142.15CR	000000	142.15
1494	TXU ENERGY I-8953-091421	FMFC WAREHOUSE	R	0/00/0000		282.92CR	000000	282.92

** T O T A L S **
 REGULAR CHECKS: 11 NO# 5,487.63 CHECK AMT 5,487.63 TOTAL APPLIED 5,487.63
 HANDWRITTEN CHECKS: 0 0.00 0.00
 PRE-WRITE CHECKS: 0 0.00 0.00
 DRAFTS: 0 0.00 0.00
 VOID CHECKS: 0 0.00 0.00
 NON CHECKS: 0 0.00 0.00
 CORRECTIONS: 0 0.00 0.00
 REGISTER TOTALS: 11 0.00 5,487.63



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TEXAS POLITICAL SUBDIVISIONS

JOINT SELF INSURANCE FUND

"Complete Workers' Comp and Property/Casualty Solutions"

P.O. Box 803356 • Dallas, Texas 75380-3356

800-588-0013 • 972-361-6300 • www.tpspool.org

October 05, 2021

Ms Maura Weingart, County Auditor
Sutton County
P. O. Box 16
Sonora, TX 76950

Reference: 21-H0535

Dear Ms Maura Weingart, County Auditor:

Thank you for choosing to place your coverage in the Texas Political Subdivisions Workers' Compensation Joint Self-Insurance Fund (TPS).

Our goal is to provide affordable, high-quality coverage and to offer a stable source of coverages specifically tailored to address exposures faced by public entities in the State of Texas. We believe that Sutton County will benefit from its relationship with TPS as we complement your existing risk management efforts.

Please let your TPS agent and/or me know if you have questions or concerns regarding your coverage.

Sincerely,

Rhonda Ruehle
Underwriting Director
Office: 972-361-6310
rhonda.ruehle@tpspool.org



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October 05, 2021

Ms Maura Weingart, County Auditor
Sutton County
P. O. Box 16
Sonora, TX 76950

Reference: 21-H0535

Dear Ms Maura Weingart, County Auditor:

Thank you for choosing to place your coverage through Texas Political Subdivisions Joint Self Insurance Fund (TPS). This notice is to provide information regarding the loss control services available to you. TPS offers a wide range of loss control services at no cost to assist members in achieving their risk management goals.

TPS is familiar with the unique loss control needs of its members and has customized programs for each. We are committed to delivering the highest quality and timely service to each member. Our loss control department will provide assistance with developing specific programs and/or improving existing safety programs, site safety surveys, and employee training.

We have an ever-expanding library of safety resources and training materials. As well as an on-line library of over 250 streaming safety videos which may be viewed anywhere online. These videos are intended to be used in a classroom setting but may be used as a one-on-one training tool. To access these videos visit the TPS website at www.tpspool.org, login at the bottom right corner, then click on "My Safety Videos" under My TPS Access.

In addition the online training center is filled with a wide variety of high quality, accredited training courses that reduce liability and mitigate risk. Members have access to nearly 300 courses covering topics ranging from human resources, safety, management, and productivity to law enforcement and corrections (TCOLE Approved!). To get started simply go to the TPS website and click on the LocalGovU link at the bottom of the page. For help logging into or navigating the site contact your dedicated LocalGovU Account Manager, Steve DiStasi. Steve can be reached at 415-962-5923 or sdistasi@localgovu.com.

We will be contacting you in the near future to discuss our services and/or schedule a meeting. If you have immediate needs, please feel free to reach out to me directly by phone or email.

Sincerely,

E. Allen Hall, CSHM ARM
Loss Control Director
Office: 972-419-2648
Cell: 214-908-0512
allen.hall@tpspool.org



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P.O. Box 803356 • Dallas, Texas 75380-3356

800-588-0013 • 972-361-6300 • www.tpspool.org

TPS SERVICE CONTACTS

Name	Title	Direct Number	EXT	Comments/Email
800 line	Toll Free	800-588-0013	N/A	N/A
Allen Hall	Director of Loss Control	972-419-2648	2648	allen.hall@tpspool.org
Kathleen Pucci	Director of Accounting, CFO	972-419-2644	2644	kathleen.pucci@tpspool.org
Keith D. Alberts	Director of Marketing	972-361-6303	6303	keith.alberts@tpspool.org
Rhonda Ruehle	Director of Underwriting	972-361-6310	6310	rhonda.ruehle@tpspool.org
Scott Payne	Executive Director, CEO	972-361-6302	6302	scott.payne@tpspool.org
Steve Koon	Director of Claims	972-361-6304	6304	steve.koon@tpspool.org
After-Hours Claims Emergency Line 877-976-9457				
Direct all Mail to PO Box 803356 Dallas, Texas 75380				
For Preauthorization Call 888-705-1070, Fax to 888-667-9572 or Email precert@novarenetwork.com				
For Bill Review Questions Call 866-532-1929, Fax 888-846-4140 or Email tpsmbr@novarenetwork.com				
Submit all New Claims to claims@tpspool.org or Fax to 866-888-3633				
Submit all Medical Bills to medbills@tpspool.org or Fax to 866-880-0156				

AGENCY SERVICE CONTACT

USI Southwest-El Paso
2505 E Missouri
El Paso, TX 79903

Phillip Briscoe
915-534-9710

**BYLAWS OF
TEXAS POLITICAL SUBDIVISIONS
JOINT SELF-INSURANCE FUND**

Bylaw I - Principal Office

The principal office of the Texas Political Subdivisions Workers' Compensation Joint Self-Insurance Fund and the Texas Political Subdivisions Property/Casualty Joint Self-Insurance Fund (hereinafter referred to collectively as the "Fund") for the transaction of the Fund's business is located in Dallas County, Texas. The Fund may have such other offices or convene at such other places to conduct their business as the Board of Trustees may designate from time to time. The Board of Trustees shall operate the Fund on behalf of the Fund Members pursuant to these Bylaws and shall be composed of representatives of the Members elected or appointed in the manner hereinafter set out, and shall have the functions, powers and duties as herein set forth.

Bylaw II - Members

A. Classes of Membership. There shall be one class of membership in the Fund.

B. Eligibility. Any political subdivision within the State of Texas, as defined by applicable statute, is eligible for membership in the Fund.

C. Duties. For the proper protection of the Fund, each Fund Member shall be required to make such reasonable safety regulations and take such safety precautions as may be required by the Fund or any servicing contractor providing management, administrative, technical or other services to the Fund or Fund Members (the "Contractor" or collectively the "Contractors").

D. Contribution. Each Fund Member shall make contributions to the Fund, the amounts of which shall be determined from time to time by the Fund and as required in the contractual membership agreement (the "Interlocal Agreement") between the Fund and each Fund Member.

E. Failure to Make Contribution. The failure of any Fund Member to make any contribution provided for in this Bylaw II as and when due shall render the membership of such Fund Member subject to termination.

F. Right of Appeal. In the event of a disagreement between any Fund Member and the Fund or any Contractor regarding any claim decision, loss control, risk management practices, precautions or regulations suggested to the Fund Member by the Fund or any of the Contractors, the Fund Member may appeal the suggestion in writing to the Board of Trustees within 60 days, and a decision of the Trustees shall be final in determining whether said practice, precaution or regulation must be implemented by the Fund Member. The Board of Trustees will consider the appeal at the next scheduled Board meeting, or at the Board's sole discretion, an emergency meeting may be called.

Bylaw III - Board of Trustees

A. Board as Permanent Governing Body. The Fund shall be governed by a permanent Board of Trustees composed of nine (9) Members selected as hereinafter provided. It is hereby deemed advisable and advantageous to have Trustees who are skilled in the various disciplines the Board may require in the performance of its duties. Therefore, it is hereby deemed advisable to have Trustees skilled in such areas as finance, risk management, public administration, loss control, safety, underwriting,

pooling, reinsurance and/or such other disciplines as the Board may from time to time find useful in fulfilling its duties and responsibilities to the Fund. The composition of the Board should fairly represent a cross section of the Fund's membership, and reflect geographical diversity to the extent practicable.

B. Composition and Term of Service. The Members of the Board of Trustees shall consist of four (4) echelons. Each Trustee shall be elected to occupy a designated place on the Board.

1. Those Trustees occupying places 1, 5, and 9 shall constitute one echelon designated as the First Echelon. Those Trustees occupying places 2 and 6 shall constitute one echelon designated as the Second Echelon. Those Trustees occupying places 3 and 7 shall constitute one echelon designated as the Third Echelon. Those Trustees occupying places 4 and 8 shall constitute one echelon designated as the Fourth Echelon.

2. Each year the Fund shall conduct an election of Trustees to fill the places occupied by the Members of the echelon whose terms expire during the year the election is held. Each election shall be held to fill the places of a retiring echelon. Each election shall be for a four-year term.

C. Eligibility. Each Member of the Board of Trustees shall be either a salaried officer, salaried employee or popularly elected official of a Fund Member. Any Trustee who ceases to be either a salaried employee, salaried officer or popularly elected official of a Fund Member shall automatically be disqualified from service on the Board of Trustees and his position shall immediately become vacant. Notwithstanding the foregoing, any Trustee disqualified under the provisions of this subsection "C" may be, at the Board's discretion, retained in office until a qualified successor is elected or

appointed. In such instances, the Board shall name such replacement not later than six (6) months from the date of the disqualification of the individual involved. However, if the Trustee's entity ceases to be a Fund Member, the Trustee may not be retained.

D. Election of Trustees.

1. Annual Election. The Fund shall conduct a regular annual election of Trustees during the last quarter of the calendar year. Ballots will be opened and tabulated on or about the second Monday of December each year.

2. Nominations. An announcement of places on the Board to be filled (Place 1, Place 5, etc.), along with nomination forms, shall be transmitted during the first week of October to each Fund Member's designated contact person via email, or if email is not available, by U.S. mail, or facsimile transmission. Individuals eligible under Bylaw "III, C," may be nominated for election to the Board of Trustees by the Fund Members. Nominations shall be made in writing and shall state the basis of the nominee's eligibility under Bylaw "III, C," specifying the nominee's employment or office held and the Fund committee experience, if any, of the nominee. Nominations will be made at large. The Executive Committee and Executive Director shall as evenly as possible apportion all of the nominees among the places open for election in composing the ballots for the election.

3. Ballots and Balloting. The Executive Director or such other person as the Board may designate shall prepare ballots and deliver same to all Fund Members by November 15, addressed to each Fund Member's designated contact person via email, or if email is not available, by U.S. mail, or facsimile transmission. Each ballot shall include at least the following information: the exact designation of places on the

Board to be filled (Place 1, Place 5, etc.), the names of all candidates for each place as determined by the Board, listed with the incumbent's name, if any, listed first and designated as "incumbent" followed by the names of all other candidates, instructions for the marking of ballots and instructions regarding the return of ballots.

- (a) Return of Ballots. Ballots may be returned to the Fund by United States mail or by any other means of delivery chosen by a Fund Member. However, ballots arriving after the deadline for return of ballots shall not be counted unless the Executive Director shall determine that such ballots were late due to Acts of God, war, civil disobedience or other superior and irresistible force disrupting commerce and the delivery of ballots, in which case tabulation of the ballots may be delayed for a period sufficient to allow the return of ballots after normal delivery services have resumed as determined by the Executive Director. The Executive Director or his designee shall date stamp each ballot envelope to reflect the date of its receipt.
- (b) Casting of Ballots, Prohibition of Cumulative Voting. Ballots are to be cast on behalf of a Fund Member by a duly authorized representative of a Fund Member entitled to vote . Each Fund Member may cast one (1) vote for each place up for election. No cumulative voting shall be allowed.
- (c) Duplicate Ballot. In the event that competing or duplicate ballots are cast on behalf of any Fund Member, the Executive Director shall immediately contact the persons submitting the duplicate ballots to determine which ballot is to be tabulated as the Fund Member's ballot. If the Executive Director is unable to timely determine which ballot is to be tabulated, said ballots shall be discarded and shall not be tabulated.
- (d) Ballots to be Signed. Each ballot must be signed by a duly authorized representative of a Fund Member entitled to vote. Unsigned ballots will not be counted in determining the outcome of elections.

4. Tabulation and Certification of Election. Once the ballots have been received, they shall be retained unopened in the possession of the Executive Director, or his designee, until the deadline for the submission of ballots. The Executive

Director, or his designee, shall then open the ballots and tabulate the results. The Executive Director shall then certify the results of the balloting to the Board. The Fund shall maintain custody of the ballots for a period of five (5) years.

5. Election by Plurality. A plurality of the ballots cast for any position shall be required to elect.

E. Vacancies on the Board of Trustees. When a vacancy exists on the Board of Trustees due to death, resignation, disqualification or inability to serve, the Board shall appoint a replacement to serve the balance of the term of office for the place being filled. This appointment shall be made by a majority vote of those Trustees then in office.

F. Advisory Trustees. The Board, at its option, may appoint one (1) or more Advisory Trustees who shall be appointed to serve a term of one (1) year. Advisory Trustees shall have no vote on matters before the Board of Trustees.

G. Election of Officers. At its first meeting of the calendar year, the Board shall elect Officers for the coming year. The Board shall elect from among the Trustees a Chairman, a Vice-Chairman and a Secretary. The Board may also appoint such other officers as the Board may deem necessary.

H. Meetings of the Board of Trustees. The Board of Trustees shall hold at least three (3) meetings per year, including the meeting provided for in subsection "G" of this Bylaw III. The Board may hold such other meetings as necessary to conduct its business at such times as the Chairman may call a meeting or at any time a meeting is requested by any three voting Trustees.

1. Regularly Called Meeting. Each Trustee shall receive a minimum of seventy-two (72) hours' written notice of any meeting of the Board, except as

otherwise provided herein. Written notice of all such meetings shall be given to each of the Trustees by mail, courier, facsimile, email or other electronic transmission, and to the public in compliance with the Texas Open Meeting Act..

2. Emergency Meetings. Notwithstanding the foregoing, the Chairman may, at his sole discretion, declare an emergency or urgent public necessity and convene a meeting of the Board on two (2) hours' telephonic or email notice to the Trustees and to the public in compliance with the Texas Open Meetings Act.

Such emergency meetings may be conducted by telephone conference call under the terms and conditions prescribed by state law.

3. Meetings Called by Trustee. Any call for a meeting made by three (3) or more Trustees shall be submitted to the Chairman who shall, within two (2) business days of the receipt of said request, call and give notice of a Regularly Called or an Emergency Meeting to be held not later than five (5) business days from the date notice of the meeting is given to the Trustees by the Chairman. In the event of absence, inability or refusal to act on the part of the Chairman, the Vice Chairman, upon presentment of a request for a meeting as described hereinabove, shall act in the place of the Chairman in the manner provided for herein. In the event of absence, inability or refusal to act on the part of the Vice Chairman, the Secretary shall act in the place of the Chairman. Such meetings shall be either Regularly Called Meetings or Emergency Meetings and the notice requirements applicable shall apply thereto as provided hereinabove.

4. Video Conference Meetings. The Chairman may arrange for video conference meetings of the Board, as allowed by applicable law, when the Chairman

deems it necessary for the transaction of the Board's business. Such video conference meetings shall be either Regularly Called Meetings or Emergency Meetings and the notice requirements applicable shall apply thereto as provided hereinabove. One (1) or more Trustees may attend a meeting by video conference, so long as the presiding officer is physically present at the location specified in the meeting notice. Trustees attending by video conference are counted toward a quorum of the Board, except during any period when the video or audio is interrupted or terminated, and said video conference is conducted under the terms and conditions prescribed by state law.

I. Quorum. A majority of the Members of the Board serving at any given time shall constitute a quorum.

J. Action by Majority. Concurrence of a majority of the Members of the Board in attendance and voting shall be necessary for any official action taken by the Board except as otherwise provided in these Bylaws.

K. Compensation and Reimbursement. The Trustees shall serve without compensation, but shall be entitled to reimbursement of actual expenses incurred in the performance of their official duties in accordance with such policies for reimbursement as may be adopted by the Board or by approval of such expenses by the Board.

Bylaw IV - Powers and Duties of the Board of Trustees

The Board, in addition to other powers and duties herein conferred and imposed or authorized by law, shall have the following powers and duties to-wit:

A. The Board shall appoint an Executive Director, who shall serve as the Chief Executive Officer of the Fund, managing the staff and the day-to-day operations of the Fund.

B. The Board may contract with any qualified individual or organization for such services, professional or otherwise, as it may deem appropriate to perform any of the functions necessary for the carrying out of a self-insured pool arrangement, including reinsurance and/or excess insurance, actuarial services, claims administration, safety engineering services, administrative services, legal services and any and all other services that the Board shall deem necessary for the benefit of the Fund or its Members.

C. The Board shall, in consultation with the Executive Director, make provision for proper accounting and reporting procedures for each of the Fund Members so that they shall be timely apprised of the nature of the claims arising within their jurisdiction, the manner in which these claims are being handled and the impact of the same upon the Fund.

D. The Board shall provide for an annual audit of the books (accounting records) of the Fund. The audit shall be available to each of the Fund Members for review.

E. The Board shall oversee and insure that the Executive Director carries out all of the duties necessary for the proper operation and administration of the Fund on behalf of the Fund Members, and to that end shall have all of the powers necessary and desirable for the effective supervision of the administration of the affairs of the Fund.

F. The Board shall, in consultation with the Executive Director and other sources as they might deem necessary, supervise the arrangements for the investing of the monies of the Fund so as to keep the same invested according to law and in accordance with prudent investment standards for the benefit of the Fund Members. It

shall provide for the banking of the monies of the Fund and the proper security of any and all investments.

G. The Board shall have the authority to terminate membership of any Fund Member that fails to abide by the reasonable requirements of the Fund concerning payment of dues and contributions, installation of safety requirements, cooperation with the claims adjusters or attorneys representing the Fund or any of the Fund Members, or any other action that may be detrimental to the fiscal soundness or efficiency of the Fund, on behalf of the Fund Members.

H. The Board shall approve a contract (the "Interlocal Agreement") to be signed by each of the Fund Members as they become Fund Members; and in consultation with the Executive Director and other sources as they might deem necessary, shall determine the amounts of reinsurance and/or excess insurance that shall be purchased by the Fund.

I. The Board may require the securing of a fidelity bond upon any officer or agent of the Fund or upon other persons charged with the duty of handling any of the monies or investments of the Fund.

J. While the Executive Director may contract with attorneys, accountants or such other professional persons deemed necessary for the proper protection and day-to-day operation of the Fund, the Board may vacate such contracts for good cause shown. The Board may independently contract with attorneys, accountants or other professional persons when the Board determines that such a need exists. These persons shall be paid as provided in the contract for hire as approved by the Board.

K. The Board shall have the absolute power to approve all contracts, leases and agreements necessary or convenient to carry out any of the powers granted under

these Bylaws or by law. All such contracts, leases and agreements or other legal documents herein authorized shall be approved by resolution of the Board.

L. Removal for Cause. The Board by a majority vote may suspend from office any Trustee for cause if said Trustee is indicted or charged with any crime involving moral turpitude or any felony, and may by a majority vote remove any Trustee for cause if said Trustee is convicted of any crimes involving moral turpitude or any felony. It shall also constitute cause for removal if any Trustee misses two (2) or more consecutive meetings of the Board without a valid excuse acceptable to the Board in its discretion. Said Trustee may be removed by a majority vote of the Board.

Additionally, if the Board finds that a conflict of interest exists between a Trustee and the Fund, said Trustee will be asked to recuse themselves from deliberations and voting related to the conflict.

Bylaw V - Committees

A. The Executive Committee. The Executive Committee of the Board shall consist of the Chairman, the Vice Chairman and the Secretary, and shall handle the affairs of the Board in between meetings of the full Board, with such additional functions as may be designated to the Executive Committee by the full Board by resolution properly adopted. The Executive Committee shall meet in person at any convenient place in the State of Texas, or by phone utilizing a teleconference, at such times as the Chairman of the Board shall designate. The method of convening shall be at the discretion of the Chairman of the Board who shall serve as Chairman of the Executive Committee. The Chairman of the Board may vote to break a tie vote of the Executive Committee.

B. The Board of Trustees may, from time to time, appoint Members of committees, which, in addition to the Executive Committee, shall constitute the Standing Committees of the Board.

The Chairman of the Board of Trustees may appoint such ad hoc committees as he deems necessary in his sole discretion. Such appointments shall be for a term of one (1) year.

All appointees to any Standing Committees, other than the Executive Committee, need not be Members of the Board of Trustees, except that the Chairman of the Board shall appoint a Trustee to serve as Chairman of each of the Standing Committees. Any such Standing Committee shall be made up of at least three (3) persons but no more than eight (8) persons. Any Standing Committee shall have such duties, powers and responsibilities as provided in these Bylaws or as the Board of Trustees may delegate to each such committee by resolution of the Board. The Chairman of each such committee shall appoint qualified persons to fill vacancies on his committee occurring after the initial appointment of Members of the committee by the Board. In the event that the Chairman of any such committee shall fail or refuse to appoint a qualified replacement, the Chairman of the Board shall do so in his stead.

Bylaw VI - Indemnification of Officers & Trustees

A. Policy of Indemnification and Advancement of Expenses. To the same extent permitted to business corporations by the Texas Business Corporation Act, as amended from time to time, and except as otherwise prohibited by law, the Fund shall indemnify any Trustee or officer of the Fund against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses (including court

costs and attorneys' fees) actually incurred by any such person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a Trustee or Officer of the Fund, and shall advance to such person such reasonable expenses as are incurred by such person in connection therewith.

B. Definition. For purposes of this Bylaw VI:

1. "Trustee" means any person who is or was a Trustee of the Fund and any person who, while a Trustee of the Fund, is or was serving at the request of the Fund as a Trustee, Officer, partner, proprietor, employee, agent, or similar functionary of the Fund.

2. "Officer" means any person who is or was an Officer of the Fund and any person who, while an Officer of the Fund, is or was serving at the request of the Fund as a trustee, officer, partner, proprietor, employee, agent or similar functionary of the Fund.

3. "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal administrative, arbitative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

C. Non-Exclusive; Continuation. The indemnification provided by this Bylaw VI shall not be deemed exclusive of any other rights to which the person claiming indemnification may be entitled under any agreement, any vote of Fund Members or disinterested Trustees of the Fund, or otherwise, both as to any action in his or her official capacity and as to any action in another capacity while holding such office, and shall continue as to a person who shall have ceased to be a Trustee, Officer or

employee of the Fund engaged in any other enterprise at the request of the Fund and shall inure to the benefit of the heirs, executors and administrators of such person.

D. Indemnification of Employees or Agents. The Fund may indemnify and advance expenses to an employee or agent who is not a Trustee or Officer to such extent, consistent with law, as may be provided by general or specific action of the Board of Trustees, or contract or as permitted or required by common law.

E. Insurance or Other Arrangement. The Fund shall have the power to purchase and maintain insurance or another arrangement on behalf of any person who is or was a Trustee, Officer, employee or agent of the Fund, or who is or was serving at the request of the Fund as a trustee, officer, employee or agent or any other capacity in another association, or a corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in such capacity, arising out of such person's status as such, whether or not such person is indemnified against such liability by the provisions of this Bylaw VI.

Bylaw VII - Fund Year

The fiscal or fund year for the Fund shall be from the 1st day of January of each year through the 31st day of December.

Bylaw VIII - Withdrawal From Membership

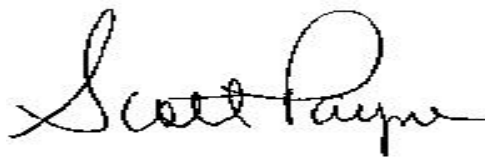
Any Fund Member may withdraw from the Fund according to the provisions set forth in the Interlocal Agreement between the Fund and the Fund Member. The Fund Member withdrawing may not withdraw the reserves on any of the claims that are being paid from the Fund or will be required to be repaid from the Fund. The Fund shall continue the servicing of any claim pending after the withdrawal of the Fund Member

unless the Fund Member specifically assumes the liability and makes provision to indemnify the Fund from loss by taking over the servicing of the claim.

Bylaw IX - Amendments to Bylaws

These Bylaws may be amended by the Board of Trustees of the Fund after notice of the proposed amendment has been mailed to the Members of the Board of Trustees at least ten (10) days prior to the day of the meeting to consider same. The Board of the Fund shall recommend such changes as it deems necessary or desirable from time to time.

Adopted this 21st day of June, 2019, at San Antonio, Texas.



Chairman of the Board of Trustees

ATTEST:



Secretary

**TEXAS POLITICAL SUBDIVISIONS
WORKERS' COMPENSATION JOINT SELF-INSURANCE FUND**

WORKERS' COMPENSATION DECLARATION

Name of Member: Sutton County

Interlocal Agreement Number: 21-H0535

Agreement Period: From: October 1, 2021

To: October 1, 2022

At 12:01 A.M. Standard Time
at the Member's Mailing Address

A. Workers' Compensation Coverage: The state or territory for such coverage is to be Texas.

B. Employers Liability Coverage: Part Two of the contract applies to work in each state listed in item A.

The limits of liability of this coverage are to be as follows:

Bodily Injury by Accident	\$500,000	each accident
Bodily Injury by Disease	\$500,000	each employee
Bodily Injury by Disease	\$500,000	Interlocal Agreement limit

Total Contribution: \$31,681

Amendments to the Interlocal Agreement: WCGC A10

The Workers' Compensation Coordinator for the Fund Member is:

Coordinator Name & Title: Ms Maura Weingart, County Auditor

Mailing Address: P. O. Box 16, Sonora, TX 76950

Street Address: 300 E. Oak St., Sonora, TX 76950

Telephone Number: 325-387-5380

Fax Number: 325-387-3279

Email Address: Auditor@suttoncounty.org

**AMENDMENT NO. 30 -- TO THE INTERLOCAL AGREEMENT
TEXAS POLITICAL SUBDIVISIONS WORKERS' COMPENSATION
JOINT SELF-INSURANCE FUND**

GUARANTEED COST PLAN

THREE (3) YEAR CONTRACT

It is hereby understood and agreed by the Fund and the Fund Member that the Interlocal Agreement is amended to include the following:

The rates effective 06/01/2013 are guaranteed for thirty-six (36) months beginning 10/01/2021.

21-H0535

Contract Number

10/01/2021

Effective Date

Sutton County

Fund Member



Texas Political Subdivisions Workers'
Compensation Joint Self - Insurance Fund

10/5/2021

Date



Quality Since 1983

TEXAS POLITICAL SUBDIVISIONS

JOINT SELF INSURANCE FUND

"Complete Workers' Comp and Property/Casualty Solutions"

P.O. Box 803356 • Dallas, Texas 75380-3356

800-588-0013 • 972-361-6300 • www.tpspool.org

October 05, 2021

Maura Weingart
Sutton County
PO Box 16
Sonora, TX 76950

Reference: 21-F0649

Dear Maura Weingart:

Thank you for choosing to place your coverage in the Texas Political Subdivisions Joint Self-Insurance Fund (TPS).

Our goal is to provide affordable, high-quality coverage and to offer a stable source of coverages specifically tailored to address exposures faced by public entities in the State of Texas. We believe that Sutton County will benefit from its relationship with TPS as we complement your existing risk management efforts.

Enclosed are your Property/Casualty coverage documents.

If property coverage is provided please sign the Sworn Statement of Values and return to your agent as soon as possible.

If automobile coverage is provided by TPS, you will need to complete the attached Automobile Fleet Audit throughout the year and submit it to your agent upon expiration of the agreement period.

Please let your TPS agent and/or me know if you have questions or concerns regarding your coverage.

Sincerely,

Rhonda Ruehle
Underwriting Director
Office: 972-361-6310
rhonda.ruehle@tpspool.org



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October 05, 2021

Ms. Maura Weingart, County Auditor
Sutton County
PO Box 16
Sonora, TX 76950

Reference: 21-F0649

Dear Ms. Maura Weingart, County Auditor:

Thank you for choosing to place your coverage through Texas Political Subdivisions Joint Self Insurance Fund (TPS). This notice is to provide information regarding the loss control services available to you. TPS offers a wide range of loss control services at no cost to assist members in achieving their risk management goals.

TPS is familiar with the unique loss control needs of its members and has customized programs for each. We are committed to delivering the highest quality and timely service to each member. Our loss control department will provide assistance with developing specific programs and/or improving existing safety programs, site safety surveys, and employee training.

We have an ever-expanding library of safety resources and training materials. As well as an on-line library of over 250 streaming safety videos which may be viewed anywhere online. These videos are intended to be used in a classroom setting but may be used as a one-on-one training tool. To access these videos visit the TPS website at www.tpspool.org, login at the bottom right corner, then click on "My Safety Videos" under My TPS Access.

In addition the online training center is filled with a wide variety of high quality, accredited training courses that reduce liability and mitigate risk. Members have access to nearly 300 courses covering topics ranging from human resources, safety, management, and productivity to law enforcement and corrections (TCOLE Approved!). To get started simply go to the TPS website and click on the LocalGovU link at the bottom of the page. For help logging into or navigating the site contact your dedicated LocalGovU Account Manager, Steve DiStasi. Steve can be reached at 415-962-5923 or sdistasi@localgovu.com.

We will be contacting you in the near future to discuss our services and/or schedule a meeting. If you have immediate needs, please feel free to reach out to me directly by phone or email.

Sincerely,

E. Allen Hall, CSHM ARM
Loss Control Director
Office: 972-419-2648
Cell: 214-908-0512
allen.hall@tpspool.org



Quality Since 1983

TEXAS POLITICAL SUBDIVISIONS

JOINT SELF INSURANCE FUND

"Complete Workers' Comp and Property/Casualty Solutions"

P.O. Box 803356 • Dallas, Texas 75380-3356

800-588-0013 • 972-361-6300 • www.tpspool.org

TPS SERVICE CONTACTS

Name	Title	Direct Number	EXT	Comments/Email
800 line	Toll Free	800-588-0013	N/A	N/A
Allen Hall	Director of Loss Control	972-419-2648	2648	allen.hall@tpspool.org
Kathleen Pucci	Director of Accounting, CFO	972-419-2644	2644	kathleen.pucci@tpspool.org
Keith D. Alberts	Director of Marketing	972-361-6303	6303	keith.alberts@tpspool.org
Rhonda Ruehle	Director of Underwriting	972-361-6310	6310	rhonda.ruehle@tpspool.org
Scott Payne	Executive Director, CEO	972-361-6302	6302	scott.payne@tpspool.org
Steve Koon	Director of Claims	972-361-6304	6304	steve.koon@tpspool.org
After-Hours Claims Emergency Line 877-976-9457				
Direct all Mail to PO Box 803356 Dallas, Texas 75380				
For Preauthorization Call 888-705-1070, Fax to 888-667-9572 or Email precert@novarenetwork.com				
For Bill Review Questions Call 866-532-1929, Fax 888-846-4140 or Email tpsmbr@novarenetwork.com				
Submit all New Claims to claims@tpspool.org or Fax to 866-888-3633				
Submit all Medical Bills to medbills@tpspool.org or Fax to 866-880-0156				

AGENCY SERVICE CONTACT

USI Southwest-El Paso
2505 E Missouri
El Paso, TX 79903

Phillip Briscoe
915-534-9710

**BYLAWS OF
TEXAS POLITICAL SUBDIVISIONS
JOINT SELF-INSURANCE FUND**

Bylaw I - Principal Office

The principal office of the Texas Political Subdivisions Workers' Compensation Joint Self-Insurance Fund and the Texas Political Subdivisions Property/Casualty Joint Self-Insurance Fund (hereinafter referred to collectively as the "Fund") for the transaction of the Fund's business is located in Dallas County, Texas. The Fund may have such other offices or convene at such other places to conduct their business as the Board of Trustees may designate from time to time. The Board of Trustees shall operate the Fund on behalf of the Fund Members pursuant to these Bylaws and shall be composed of representatives of the Members elected or appointed in the manner hereinafter set out, and shall have the functions, powers and duties as herein set forth.

Bylaw II - Members

A. Classes of Membership. There shall be one class of membership in the Fund.

B. Eligibility. Any political subdivision within the State of Texas, as defined by applicable statute, is eligible for membership in the Fund.

C. Duties. For the proper protection of the Fund, each Fund Member shall be required to make such reasonable safety regulations and take such safety precautions as may be required by the Fund or any servicing contractor providing management, administrative, technical or other services to the Fund or Fund Members (the "Contractor" or collectively the "Contractors").

D. Contribution. Each Fund Member shall make contributions to the Fund, the amounts of which shall be determined from time to time by the Fund and as required in the contractual membership agreement (the "Interlocal Agreement") between the Fund and each Fund Member.

E. Failure to Make Contribution. The failure of any Fund Member to make any contribution provided for in this Bylaw II as and when due shall render the membership of such Fund Member subject to termination.

F. Right of Appeal. In the event of a disagreement between any Fund Member and the Fund or any Contractor regarding any claim decision, loss control, risk management practices, precautions or regulations suggested to the Fund Member by the Fund or any of the Contractors, the Fund Member may appeal the suggestion in writing to the Board of Trustees within 60 days, and a decision of the Trustees shall be final in determining whether said practice, precaution or regulation must be implemented by the Fund Member. The Board of Trustees will consider the appeal at the next scheduled Board meeting, or at the Board's sole discretion, an emergency meeting may be called.

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appointed. In such instances, the Board shall name such replacement not later than six (6) months from the date of the disqualification of the individual involved. However, if the Trustee's entity ceases to be a Fund Member, the Trustee may not be retained.

D. Election of Trustees.

1. Annual Election. The Fund shall conduct a regular annual election of Trustees during the last quarter of the calendar year. Ballots will be opened and tabulated on or about the second Monday of December each year.

2. Nominations. An announcement of places on the Board to be filled (Place 1, Place 5, etc.), along with nomination forms, shall be transmitted during the first week of October to each Fund Member's designated contact person via email, or if email is not available, by U.S. mail, or facsimile transmission. Individuals eligible under Bylaw "III, C," may be nominated for election to the Board of Trustees by the Fund Members. Nominations shall be made in writing and shall state the basis of the nominee's eligibility under Bylaw "III, C," specifying the nominee's employment or office held and the Fund committee experience, if any, of the nominee. Nominations will be made at large. The Executive Committee and Executive Director shall as evenly as possible apportion all of the nominees among the places open for election in composing the ballots for the election.

3. Ballots and Balloting. The Executive Director or such other person as the Board may designate shall prepare ballots and deliver same to all Fund Members by November 15, addressed to each Fund Member's designated contact person via email, or if email is not available, by U.S. mail, or facsimile transmission. Each ballot shall include at least the following information: the exact designation of places on the

Board to be filled (Place 1, Place 5, etc.), the names of all candidates for each place as determined by the Board, listed with the incumbent's name, if any, listed first and designated as "incumbent" followed by the names of all other candidates, instructions for the marking of ballots and instructions regarding the return of ballots.

- (a) Return of Ballots. Ballots may be returned to the Fund by United States mail or by any other means of delivery chosen by a Fund Member. However, ballots arriving after the deadline for return of ballots shall not be counted unless the Executive Director shall determine that such ballots were late due to Acts of God, war, civil disobedience or other superior and irresistible force disrupting commerce and the delivery of ballots, in which case tabulation of the ballots may be delayed for a period sufficient to allow the return of ballots after normal delivery services have resumed as determined by the Executive Director. The Executive Director or his designee shall date stamp each ballot envelope to reflect the date of its receipt.
- (b) Casting of Ballots, Prohibition of Cumulative Voting. Ballots are to be cast on behalf of a Fund Member by a duly authorized representative of a Fund Member entitled to vote . Each Fund Member may cast one (1) vote for each place up for election. No cumulative voting shall be allowed.
- (c) Duplicate Ballot. In the event that competing or duplicate ballots are cast on behalf of any Fund Member, the Executive Director shall immediately contact the persons submitting the duplicate ballots to determine which ballot is to be tabulated as the Fund Member's ballot. If the Executive Director is unable to timely determine which ballot is to be tabulated, said ballots shall be discarded and shall not be tabulated.
- (d) Ballots to be Signed. Each ballot must be signed by a duly authorized representative of a Fund Member entitled to vote. Unsigned ballots will not be counted in determining the outcome of elections.

4. Tabulation and Certification of Election. Once the ballots have been received, they shall be retained unopened in the possession of the Executive Director, or his designee, until the deadline for the submission of ballots. The Executive

Director, or his designee, shall then open the ballots and tabulate the results. The Executive Director shall then certify the results of the balloting to the Board. The Fund shall maintain custody of the ballots for a period of five (5) years.

5. Election by Plurality. A plurality of the ballots cast for any position shall be required to elect.

E. Vacancies on the Board of Trustees. When a vacancy exists on the Board of Trustees due to death, resignation, disqualification or inability to serve, the Board shall appoint a replacement to serve the balance of the term of office for the place being filled. This appointment shall be made by a majority vote of those Trustees then in office.

F. Advisory Trustees. The Board, at its option, may appoint one (1) or more Advisory Trustees who shall be appointed to serve a term of one (1) year. Advisory Trustees shall have no vote on matters before the Board of Trustees.

G. Election of Officers. At its first meeting of the calendar year, the Board shall elect Officers for the coming year. The Board shall elect from among the Trustees a Chairman, a Vice-Chairman and a Secretary. The Board may also appoint such other officers as the Board may deem necessary.

H. Meetings of the Board of Trustees. The Board of Trustees shall hold at least three (3) meetings per year, including the meeting provided for in subsection "G" of this Bylaw III. The Board may hold such other meetings as necessary to conduct its business at such times as the Chairman may call a meeting or at any time a meeting is requested by any three voting Trustees.

1. Regularly Called Meeting. Each Trustee shall receive a minimum of seventy-two (72) hours' written notice of any meeting of the Board, except as

otherwise provided herein. Written notice of all such meetings shall be given to each of the Trustees by mail, courier, facsimile, email or other electronic transmission, and to the public in compliance with the Texas Open Meeting Act..

2. Emergency Meetings. Notwithstanding the foregoing, the Chairman may, at his sole discretion, declare an emergency or urgent public necessity and convene a meeting of the Board on two (2) hours' telephonic or email notice to the Trustees and to the public in compliance with the Texas Open Meetings Act.

Such emergency meetings may be conducted by telephone conference call under the terms and conditions prescribed by state law.

3. Meetings Called by Trustee. Any call for a meeting made by three (3) or more Trustees shall be submitted to the Chairman who shall, within two (2) business days of the receipt of said request, call and give notice of a Regularly Called or an Emergency Meeting to be held not later than five (5) business days from the date notice of the meeting is given to the Trustees by the Chairman. In the event of absence, inability or refusal to act on the part of the Chairman, the Vice Chairman, upon presentment of a request for a meeting as described hereinabove, shall act in the place of the Chairman in the manner provided for herein. In the event of absence, inability or refusal to act on the part of the Vice Chairman, the Secretary shall act in the place of the Chairman. Such meetings shall be either Regularly Called Meetings or Emergency Meetings and the notice requirements applicable shall apply thereto as provided hereinabove.

4. Video Conference Meetings. The Chairman may arrange for video conference meetings of the Board, as allowed by applicable law, when the Chairman

deems it necessary for the transaction of the Board's business. Such video conference meetings shall be either Regularly Called Meetings or Emergency Meetings and the notice requirements applicable shall apply thereto as provided hereinabove. One (1) or more Trustees may attend a meeting by video conference, so long as the presiding officer is physically present at the location specified in the meeting notice. Trustees attending by video conference are counted toward a quorum of the Board, except during any period when the video or audio is interrupted or terminated, and said video conference is conducted under the terms and conditions prescribed by state law.

I. Quorum. A majority of the Members of the Board serving at any given time shall constitute a quorum.

J. Action by Majority. Concurrence of a majority of the Members of the Board in attendance and voting shall be necessary for any official action taken by the Board except as otherwise provided in these Bylaws.

K. Compensation and Reimbursement. The Trustees shall serve without compensation, but shall be entitled to reimbursement of actual expenses incurred in the performance of their official duties in accordance with such policies for reimbursement as may be adopted by the Board or by approval of such expenses by the Board.

Bylaw IV - Powers and Duties of the Board of Trustees

The Board, in addition to other powers and duties herein conferred and imposed or authorized by law, shall have the following powers and duties to-wit:

A. The Board shall appoint an Executive Director, who shall serve as the Chief Executive Officer of the Fund, managing the staff and the day-to-day operations of the Fund.

B. The Board may contract with any qualified individual or organization for such services, professional or otherwise, as it may deem appropriate to perform any of the functions necessary for the carrying out of a self-insured pool arrangement, including reinsurance and/or excess insurance, actuarial services, claims administration, safety engineering services, administrative services, legal services and any and all other services that the Board shall deem necessary for the benefit of the Fund or its Members.

C. The Board shall, in consultation with the Executive Director, make provision for proper accounting and reporting procedures for each of the Fund Members so that they shall be timely apprised of the nature of the claims arising within their jurisdiction, the manner in which these claims are being handled and the impact of the same upon the Fund.

D. The Board shall provide for an annual audit of the books (accounting records) of the Fund. The audit shall be available to each of the Fund Members for review.

E. The Board shall oversee and insure that the Executive Director carries out all of the duties necessary for the proper operation and administration of the Fund on behalf of the Fund Members, and to that end shall have all of the powers necessary and desirable for the effective supervision of the administration of the affairs of the Fund.

F. The Board shall, in consultation with the Executive Director and other sources as they might deem necessary, supervise the arrangements for the investing of the monies of the Fund so as to keep the same invested according to law and in accordance with prudent investment standards for the benefit of the Fund Members. It

shall provide for the banking of the monies of the Fund and the proper security of any and all investments.

G. The Board shall have the authority to terminate membership of any Fund Member that fails to abide by the reasonable requirements of the Fund concerning payment of dues and contributions, installation of safety requirements, cooperation with the claims adjusters or attorneys representing the Fund or any of the Fund Members, or any other action that may be detrimental to the fiscal soundness or efficiency of the Fund, on behalf of the Fund Members.

H. The Board shall approve a contract (the "Interlocal Agreement") to be signed by each of the Fund Members as they become Fund Members; and in consultation with the Executive Director and other sources as they might deem necessary, shall determine the amounts of reinsurance and/or excess insurance that shall be purchased by the Fund.

I. The Board may require the securing of a fidelity bond upon any officer or agent of the Fund or upon other persons charged with the duty of handling any of the monies or investments of the Fund.

J. While the Executive Director may contract with attorneys, accountants or such other professional persons deemed necessary for the proper protection and day-to-day operation of the Fund, the Board may vacate such contracts for good cause shown. The Board may independently contract with attorneys, accountants or other professional persons when the Board determines that such a need exists. These persons shall be paid as provided in the contract for hire as approved by the Board.

K. The Board shall have the absolute power to approve all contracts, leases and agreements necessary or convenient to carry out any of the powers granted under

these Bylaws or by law. All such contracts, leases and agreements or other legal documents herein authorized shall be approved by resolution of the Board.

L. Removal for Cause. The Board by a majority vote may suspend from office any Trustee for cause if said Trustee is indicted or charged with any crime involving moral turpitude or any felony, and may by a majority vote remove any Trustee for cause if said Trustee is convicted of any crimes involving moral turpitude or any felony. It shall also constitute cause for removal if any Trustee misses two (2) or more consecutive meetings of the Board without a valid excuse acceptable to the Board in its discretion. Said Trustee may be removed by a majority vote of the Board.

Additionally, if the Board finds that a conflict of interest exists between a Trustee and the Fund, said Trustee will be asked to recuse themselves from deliberations and voting related to the conflict.

Bylaw V - Committees

A. The Executive Committee. The Executive Committee of the Board shall consist of the Chairman, the Vice Chairman and the Secretary, and shall handle the affairs of the Board in between meetings of the full Board, with such additional functions as may be designated to the Executive Committee by the full Board by resolution properly adopted. The Executive Committee shall meet in person at any convenient place in the State of Texas, or by phone utilizing a teleconference, at such times as the Chairman of the Board shall designate. The method of convening shall be at the discretion of the Chairman of the Board who shall serve as Chairman of the Executive Committee. The Chairman of the Board may vote to break a tie vote of the Executive Committee.

B. The Board of Trustees may, from time to time, appoint Members of committees, which, in addition to the Executive Committee, shall constitute the Standing Committees of the Board.

The Chairman of the Board of Trustees may appoint such ad hoc committees as he deems necessary in his sole discretion. Such appointments shall be for a term of one (1) year.

All appointees to any Standing Committees, other than the Executive Committee, need not be Members of the Board of Trustees, except that the Chairman of the Board shall appoint a Trustee to serve as Chairman of each of the Standing Committees. Any such Standing Committee shall be made up of at least three (3) persons but no more than eight (8) persons. Any Standing Committee shall have such duties, powers and responsibilities as provided in these Bylaws or as the Board of Trustees may delegate to each such committee by resolution of the Board. The Chairman of each such committee shall appoint qualified persons to fill vacancies on his committee occurring after the initial appointment of Members of the committee by the Board. In the event that the Chairman of any such committee shall fail or refuse to appoint a qualified replacement, the Chairman of the Board shall do so in his stead.

Bylaw VI - Indemnification of Officers & Trustees

A. Policy of Indemnification and Advancement of Expenses. To the same extent permitted to business corporations by the Texas Business Corporation Act, as amended from time to time, and except as otherwise prohibited by law, the Fund shall indemnify any Trustee or officer of the Fund against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses (including court

costs and attorneys' fees) actually incurred by any such person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a Trustee or Officer of the Fund, and shall advance to such person such reasonable expenses as are incurred by such person in connection therewith.

B. Definition. For purposes of this Bylaw VI:

1. "Trustee" means any person who is or was a Trustee of the Fund and any person who, while a Trustee of the Fund, is or was serving at the request of the Fund as a Trustee, Officer, partner, proprietor, employee, agent, or similar functionary of the Fund.

2. "Officer" means any person who is or was an Officer of the Fund and any person who, while an Officer of the Fund, is or was serving at the request of the Fund as a trustee, officer, partner, proprietor, employee, agent or similar functionary of the Fund.

3. "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal administrative, arbitative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

C. Non-Exclusive; Continuation. The indemnification provided by this Bylaw VI shall not be deemed exclusive of any other rights to which the person claiming indemnification may be entitled under any agreement, any vote of Fund Members or disinterested Trustees of the Fund, or otherwise, both as to any action in his or her official capacity and as to any action in another capacity while holding such office, and shall continue as to a person who shall have ceased to be a Trustee, Officer or

employee of the Fund engaged in any other enterprise at the request of the Fund and shall inure to the benefit of the heirs, executors and administrators of such person.

D. Indemnification of Employees or Agents. The Fund may indemnify and advance expenses to an employee or agent who is not a Trustee or Officer to such extent, consistent with law, as may be provided by general or specific action of the Board of Trustees, or contract or as permitted or required by common law.

E. Insurance or Other Arrangement. The Fund shall have the power to purchase and maintain insurance or another arrangement on behalf of any person who is or was a Trustee, Officer, employee or agent of the Fund, or who is or was serving at the request of the Fund as a trustee, officer, employee or agent or any other capacity in another association, or a corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in such capacity, arising out of such person's status as such, whether or not such person is indemnified against such liability by the provisions of this Bylaw VI.

Bylaw VII - Fund Year

The fiscal or fund year for the Fund shall be from the 1st day of January of each year through the 31st day of December.

Bylaw VIII - Withdrawal From Membership

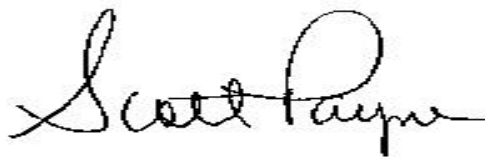
Any Fund Member may withdraw from the Fund according to the provisions set forth in the Interlocal Agreement between the Fund and the Fund Member. The Fund Member withdrawing may not withdraw the reserves on any of the claims that are being paid from the Fund or will be required to be repaid from the Fund. The Fund shall continue the servicing of any claim pending after the withdrawal of the Fund Member

unless the Fund Member specifically assumes the liability and makes provision to indemnify the Fund from loss by taking over the servicing of the claim.

Bylaw IX - Amendments to Bylaws

These Bylaws may be amended by the Board of Trustees of the Fund after notice of the proposed amendment has been mailed to the Members of the Board of Trustees at least ten (10) days prior to the day of the meeting to consider same. The Board of the Fund shall recommend such changes as it deems necessary or desirable from time to time.

Adopted this 21st day of June, 2019, at San Antonio, Texas.



Chairman of the Board of Trustees

ATTEST:



Secretary

TEXAS POLITICAL SUBDIVISIONS

SWORN STATEMENT OF VALUES

Fund Member **21-F0649** **Sutton County**

Effective **October 01, 2021** to **October 01, 2022**

It is hereby agreed that to the best of my knowledge and belief the figures shown on the Buildings and Business Personal Property Statement of Values represent a fair average of the values in each of the locations throughout this contract period.

Signed _____
(Fund Member Signature)

Date _____

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
SUMMARY DECLARATION**

NAME AND ADDRESS **Sutton County**
OF MEMBER: PO Box 16
Sonora, TX 76950

INTERLOCAL
AGREEMENT NUMBER: **21-F0649**

Agreement Period: From: **October 01, 2021**

To: **October 01, 2022**

at 12:01 A.M. Standard Time
at the Member's Mailing

Shown below by an "X" are the Self-Insurance coverages adopted by the Fund Member. Refer to specific
Declarations for limits, deductibles and other information.

	Total Contribution
<input checked="" type="checkbox"/> General Liability	\$ 5,256
<input checked="" type="checkbox"/> Law Enforcement	\$ 7,975
<input checked="" type="checkbox"/> Public Officials	\$ 5,265
<input checked="" type="checkbox"/> Automobile Liability	\$ 10,057
Uninsured Motorists	\$ 1,980
<input checked="" type="checkbox"/> Automobile Physical Damage	\$ 10,834
Garagekeepers Legal Liability	\$ 386
<input checked="" type="checkbox"/> Property/Equip. Breakdown Cov.	\$ 42,068
Contractors/Mobile Equipment	\$ 688
Electronic Data Processing/Computer Equipment	\$ 188
Miscellaneous Equipment	\$ 109
<input checked="" type="checkbox"/> *Crisis Management Coverage	
<input checked="" type="checkbox"/> Cyber Liability Coverage	Included in GL
<input checked="" type="checkbox"/> *Foreign & Domestic Terrorism (applies to Property coverage only)	
TOTAL CONTRIBUTION	\$84,806

*coverage included at no charge

AGENCY: USI Southwest-El Paso

TEXAS POLITICAL SUBDIVISIONS
AUTOMOBILE FLEET AUDIT - Changes During The contract Period

Name of Member: 21-F0649 Sutton County Contract Period: 10/01/2021 to 10/01/2022

Date Acquired	Date Sold	Vehicle Description <small>(Include seating capacity for buses; CC's for motorcycles & GVW for all other)</small>	Vehicle Use <small>(Drivers Ed; Fire & Police, etc.)</small>	V.I.N. Number	Cost New <small>(Required for all vehicles with physical damage)</small>

**TEXAS POLITICAL SUBDIVISIONS PROPERTY/CASUALTY SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE
VEHICLE LISTING**

Contract No: 21-F0649

Contract Effective Date: 10/01/2021

Member Name Sutton County

Contract Expiration Date: 10/01/2022

Liability: 500,000	Liability Contribution: 12,364	Summary Contribution: 23,665
Uninsured Motorist: 85,000	Physical Damage Contribution: 10,435	Premium Discount 408
Medical Payments: N/A	Hired Physical Damage Contribution: 399	Miscellaneous Contribution: 0
PIP Coverage: N/A	Garagekeepers Contribution: 386	Excess Contribution: 0
Liability Deductible: 2,500 BI and PD Combined	Hired Car & Non-Owned Auto: 81	Total Contribution 23,257

Unit #	Territory	Year	Make	Model	VIN	Vehicle Class	OCN	Comp. Deductible	Coll. Deductible	Total Contribution
1	65	1953	Trailmobile	Trailer	5551	68499				23
2	65	1958	Martin	Low Boy Trailer	8227	67499				23
3	65	1958	Shopmade	Trailer	6585	68499				23
4	65	1963	Fruehauf	Trailer	8201	67499				23
5	65	1974	Fontaine	Trailer	5336	68499				23
6	65	1989	Bruton	Trailer	8159	67499				23
7	65	1992	Ford	Truck	0043	1499	9,646	2,500	2,500	367
8	65	1992	Ford	P U	0044	1499	9,600	2,500	2,500	367
9	65	1992	Ford	Truck	9599	1499	8,035	2,500	2,500	367
10	65	1993	Big Tex	Trailer	1854	68499				23
11	65	1993	Freightliner	Truck/Tractor	1757	50499				648
12	65	1997	Shopbuilt	Trailer	1197	68499				23
13	65	1998	Fontaine	Low Boy Trailer	7441	68499				23
14	65	1999	Chevrolet	Truck	4180	33479	43,100	2,500	2,500	559
15	65	2000	Ford	E450	7677	7912	90,947	2,500	2,500	772
16	65	2000	International	Water Truck	1HTSDAABXYH243179	23499	16,093	2,500	2,500	503
17	65	2001	Ford	F 250	7406	1499	28,900	2,500	2,500	503
18	65	2001	International	S1700 Dist Truck	8606	40499	100,930	2,500	2,500	999
19	65	2005	Ford	Crown Victoria	2105	3	15,000	2,500	2,500	418
20	65	2005	Sterling	Dump	5787	33479	25,000	2,500	2,500	478
21	65	2005	Sterling	Dump	5788	33479	25,000	2,500	2,500	478

**TEXAS POLITICAL SUBDIVISIONS PROPERTY/CASUALTY SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE
VEHICLE LISTING**

22	65	2006	Ford	P/U	5827	1499	14,700	2,500	2,500	409
23	65	2007	Chevrolet	Express	4929	1499	22,100	2,500	2,500	462
24	65	2008	Chevrolet	Silverado	7697	1499	24,800	2,500	2,500	462
25	65	2008	Ford	F 350	8738	1499	25,000	2,500	2,500	462
26	65	2009	Ford	Taurus	0568	3	20,000	2,500	2,500	446
27	65	2012	Ford	F250	2991	7912	20,807	2,500	2,500	578
28	65	2012	Ford	F250	1FT7X2A67CEB42992	1499	20,506	2,500	2,500	495
29	65	2013	Chevrolet	Tahoe	1GNLC2E07DR188968	7912	24,389	2,500	2,500	578
30	65	2013	Ford	F250	1FTBF2A60DEA69026	1499	18,954	2,500	2,500	467
31	65	2015	Ford	F25 Super Duty	1FTZX2A60FEA86611	1499	26,147	2,500	2,500	586
32	65	2015	Ford	F25 Super Duty	1FT7X2A61FEA32637	1499	26,253	2,500	2,500	586
33	65	2015	Chevrolet	Tahoe	1GNLC2EC8FR602787	7912	51,823	2,500	2,500	798
34	65	2016	Chevrolet	Tahoe	1GNLCDEC2GR329116	7912	34,914	2,500	2,500	672
35	65	2017	Ford	Explorer	1FM5K7B87HGB33509	1499	26,996	2,500	2,500	628
36	65	2017	Ford	F150	1FTMF1C8HKD76645	1499	19,872	2,500	2,500	524
37	65	2018	Freightliner	M2106	1FVACXFCXJHJV8035	50499	157,436	2,500	2,500	1,368
38	65	2018	Freightliner	M2106	1FVACXFCXJHJV8036	50499	157,436	2,500	2,500	1,368
39	65	2018	Chevrolet	Tahoe	1GNLCDEC8JR120793	1499	48,882	2,500	2,500	804
40	65	2018	Chevrolet	Silverado	3GUKNEC1JG306536	1499	29,510	2,500	2,500	648
41	65	2019	Sundown	Sunlite Trailer	13SKJ2825K1B6709y	68499	21,041	2,500	2,500	189
42	65	2019	Chevrolet	Silverado	1GC1CREGOKF166637y	1499	32,925	2,500	2,500	694
43	65	2019	Chevrolet	Tahoe	1GNLCDEC8KR173799	7912	50,093	2,500	2,500	959
44	65	2019	Chevrolet	Tahoe	1GNLCDEC9KR173794	7912	50,093	2,500	2,500	959
45	65	2019	Chevrolet	Tahoe	1GNLCDEC9KR171902	7912	50,393	2,500	2,500	959
46	65	2021	PJ	Trailer	3CVUL1628M2618457	68499	3,584	2,500	2,500	77

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY**

Member: Sutton County

Effective Date: 10/01/2021

Expiration Date: 10/01/2022

Limits of Self-Insurance

General Aggr:	\$2,000,000
Products & Completed Op's Aggr:	\$2,000,000
Personal Injury & Advertising Injury	\$1,000,000
Each Occurrence:	\$1,000,000
Damage to Rented Premise:	\$100,000
Medical Payments:	\$0
Deductible	

Contribution

Contribution for Exposures:	\$4,965
Sub-total of Special Rated Coverage:	
Contribution Discount:	\$209
Cyber Contribution:	\$500
Total Contribution:	\$5,256

<u>Territory</u>	<u>Code</u>	<u>Class Code Description</u>	<u>Exposure Basis</u>	<u>Exposure Amount</u>	<u>Modified Contribution</u>
6	44108:	Governmental Subdivision – County Population < 10,000	Total Operating Expense	6,625,365	\$376
6	44444A:	Employee Benefits 0-999 Employees	Unit	70	\$100
6	41700:	Dams	Each Dam, Levi Or D	13	\$2,909
6	46700:	Jails	Area	3,500	\$100
6	48727:	Streets & Bridges	Each Mile	202	\$969
6	91585:	Contractors Subcontracted Work - Building Construction	Total Cost	500,000	\$150
6	49452:	Vacant Land - 1/2 Acre Lot Five (5) Block A, Sonora, TX 76950	Each Acre	1	\$100

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
LAW ENFORCEMENT**

Member: Sutton County

Effective Date: 10/01/2021

Expiration Date: 10/01/2022

Limits of Self-Insurance

Maximum Aggregate Limit of Self-Insurance, All Claims:	\$1,000,000
Maximum Limit of Self-Insurance, Each Claimant:	\$1,000,000
Maximum Limit of Self-Insurance Each Occurrence:	\$1,000,000
Deductible per Occurrence:	\$10,000

Contribution

Contribution for Exposures:	\$8,154
Contribution Discount:	\$179
Total Contribution:	\$7,975

Territory	Class Code	Class Code Description	Exposure Basis	Exposure Amount	Modified Contribution
6	44444	Law Enforcement	Unit	20	8,154

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY DECLARATION**

Name of Member: **Sutton County**

Interlocal Agreement Number: **21-F0649**

Agreement Period: From: **October 01, 2021**

To: **October 01, 2022**

at 12:01 A.M. Standard Time
at the Member's Mailing Address

LIMITS OF SELF-INSURANCE (Applicable to SECTION I., COVERAGES A. and B.)

General Aggregate Limit (Other Than Products-Completed Operations)	\$2,000,000
Products-Completed Operations Aggregate Limit	\$2,000,000
Personal and Advertising Injury Limit	\$1,000,000
Each Occurrence Limit	\$1,000,000
Damage to Rented Premises Limit	\$100,000
Medical Expenses	Excluded

DEDUCTIBLE

Per Claim - Applicable to SECTION I., COVERAGES A. and B. N/A

OPTIONAL COVERAGES (Coverage is provided if selected by an "X" and a Limit of Self-Insurance is shown)

1. Employee Benefit Liability Coverage
- | | |
|---------------|---|
| Aggregate | Included in General Liability General Aggregate Limit of Self-Insurance |
| Each Employee | Included in General Liability Each Occurrence Limit of Self-Insurance |
- Additional Employee Benefit Plan _____
-

ADDENDA TO THE COVERAGE DOCUMENT

115, 116, 122, 124, 126, 127, 128, 130, 131, 135, 138

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT**

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

The word **Covered Party** means any person, entity or organization qualifying as such under COVERED PARTIES (SECTION II). Others words and phrases that appear in bold type have special meaning. Refer to DEFINITIONS (SECTION V).

In consideration of the payment of the contribution when due, and:

- a. In reliance upon the statements made in the Declarations; and
- b. Subject to the Limits of Self-Insurance, Exclusions, Definitions, Conditions and all other terms of this coverage document, including those modified, replaced by or added by addenda issued and forming a part of this coverage document,

the **Fund** agrees with the **Member** as follows:

SECTION I. – COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Self-Insuring Agreement

- a. The **Fund** will pay those sums that the **Covered Party** becomes legally obligated to pay as damages because of **Bodily Injury** or **Property Damage** to which this self-insurance applies. The **Fund** will have the right and duty to defend a **Covered Party** against any **Suit** seeking those damages. However, the **Fund** has no duty to defend any **Covered Party** against any **Suit** seeking damages for **Bodily Injury** or **Property Damage** to which this self-insurance does not apply. The **Fund** may, at its discretion, investigate any **Occurrence** and settle any claim or **Suit** that may result. But:
 - (1) The amount the **Fund** will pay for damages is limited as described in LIMITS OF SELF-INSURANCE (SECTION III); and
 - (2) The **Fund**'s right and duty to defend end when the **Fund** has used up the applicable Limit of Self-Insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS COVERAGES A AND B.

- b. This self-insurance applies to **Bodily Injury** and **Property Damage** only if:
 - (1) The **Bodily Injury** or **Property Damage** is caused by an **Occurrence** that takes place in the **Agreement Territory**; and
 - (2) The **Bodily Injury** or **Property Damage** occurs during the **Agreement Period**.
- c. Damages because of **Bodily Injury** include damages claimed by any person or organization for care, loss of services or death resulting at any time from **Bodily Injury**.

2. Exclusions

This self-insurance does not apply to:

a. **Expected or Intended Injury**

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

b. **Law Enforcement Liability**

Bodily Injury or **Property Damage** arising out of any act, **Occurrence** or omission of the **Member's** security guard operations, police department or any other law enforcement agency including their agents or employees.

This exclusion does not apply to **Bodily Injury** or **Property Damage** arising out of ownership, maintenance or use of the **Member's** premises that is incidental to law enforcement activities.

c. **Jail Liability**

Bodily Injury or **Property Damage** arising out of the ownership, operation, maintenance or use of any jail, prison or other place of incarceration.

d. **Contractual Liability**

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

- (1) That the **Covered Party** would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an **Insured Contract**, provided the **Bodily Injury** or **Property Damage** occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an **Insured Contract**, reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than a **Covered Party** are deemed to be damages because of **Bodily Injury** or **Property Damage**, provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same **Insured Contract**; and
- (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this self-insurance applies are alleged.

e. **Workers' Compensation and Similar Laws**

Any obligation of the **Covered Party** under any workers' compensation, disability benefits or unemployment compensation law or any similar law, nor any damages or claims by volunteers to the extent the **Covered Party** could have provided coverage to the volunteer under the above laws but did not.

f. **Employers' Liability**

Bodily Injury to:

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

This exclusion applies:

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

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

g. **Pollution**

- (1) **Bodily Injury or Property Damage** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants:
- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **Covered Party**;
 - (b) At or from any premises, site or location which is or was at any time used by or for any **Covered Party** or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **Covered Party** or any person or organization for whom the **Member** may be legally responsible; or
 - (d) At or from any premises, site or location on which any **Covered Party** or any contractors or subcontractors working directly or indirectly on any **Covered Party**'s behalf are performing operations:
 - (i) If the pollutants are brought on or to the premises, site or location in connection with such operations by such **Covered Party**, contractor or subcontractor; or
 - (ii) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants.

Subparagraphs (a) and (d)(i) do not apply to **Bodily Injury or Property Damage** arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand or order that any **Covered Party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or
 - (b) Claim or Suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis,

chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

h. **Aircraft, Auto or Watercraft**

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

This exclusion does not apply to:

- (1) A watercraft while ashore on premises the **Member** owns or rents;
- (2) A watercraft the **Member** does not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) A watercraft which is reported to and accepted by the **Fund**;
- (4) Parking an **Auto** on, or on the ways next to, premises the **Member** owns or rents, provided the **Auto** is not owned by or rented or loaned to the **Member** or a **Covered Party**;
- (5) Liability assumed under any **Insured Contract** for the ownership, maintenance, or use of aircraft or watercraft; or
- (6) **Bodily Injury or Property Damage** arising out of the operation of any equipment listed in paragraph f.(2) or f.(3) of the definition of **Mobile Equipment**. (Section VI. 17.).

i. **Airport Liability**

Bodily Injury or Property Damage arising out of the ownership, operation, maintenance or use of any airport.

j. **Mobile Equipment**

Bodily Injury or Property Damage arising out of:

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

k. **War**

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

1. **Damage to Property**

Property Damage to:

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

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

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

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

m. **Property Damage to Product**

Property Damage to the **Member**'s **Product** arising out of it or any part of it.

n. **Property Damage to Work**

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

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

o. **Impaired Property**

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

- (1) A defect, deficiency, inadequacy or dangerous condition in the **Member's Product** or the **Member's Work**; or
- (2) A delay or failure by the **Covered Party** or anyone acting on behalf of the **Covered Party** 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 the **Member's Product** or the **Member's Work** after it has been put to its intended use.

p. **Recall Liability**

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

- (1) The **Member's Product**;
- (2) The **Member's Work**; or
- (3) **Impaired Property**;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

q. **Employment Practices**

Bodily Injury arising out of any:

- (1) Refusal to employ;
- (2) Termination of employment;
- (3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment-related practices, policies, acts or omissions; or
- (4) Consequential **Bodily Injury** as a result of (1) through (3) above.

This exclusion applies whether the **Covered Party** may be held liable as an employer or in any other capacity and to any obligation to share damages with or to repay someone else who must pay damages because of the injury.

r. **Legislation**

Bodily Injury or **Property Damage** arising out of the enactment of allegedly invalid, unlawful or discriminatory ordinances, regulations, requirements, practices or restrictions or actual or alleged noncompliance with or violation of applicable municipal, state or federal laws or regulations.

s. **Asbestos**

Bodily Injury or **Property Damage** arising out of:

- (1) Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;
- (2) The removal of asbestos from any good, product or structure;
- (3) The transportation, storage or disposal of asbestos or goods or products containing asbestos;
- (4) The testing, failure to test, improper testing, monitoring, analyzing, inspecting, surveying, cleaning up, containing or treating of any good, product or structure containing asbestos.

t. **Utilities Liability**

Bodily Injury or **Property Damage** arising out of the failure of the **Member** to adequately supply gas, oil, water or electricity or steam.

u. **Professional Health Services**

Bodily Injury or **Property Damage** arising out of:

- (1) The rendering of or failure to render:
 - (a) Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - (b) Any service or treatment conducive to health or of a professional nature; or
- (2) The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
- (3) The handling of or performing of autopsies on dead bodies.

v. **Hospital Liability**

Bodily Injury arising out of the **Member**'s ownership, operation, control or direction of any hospital or other facility providing medical services where overnight bedcare is provided.

w. **Joint Venture Liability**

Bodily Injury or **Property Damage** arising out of the **Covered Party**'s activities or participation in a joint venture with others, involving amusement parks, skateboard facilities, dams and water reservoirs, jails, nursing homes and sanitariums, hydroelectric or other power plants, railroads, sewage treatment

plants, waste disposal, water treatment plants, wharves, or other facilities for boats or vessels.

This exclusion does not apply if the above activities are reported to and accepted by the **Fund**.

x. **Eminent Domain**

Bodily Injury or Property Damage arising from a taking that involves or is in any way related to the principles of eminent domain, adverse possession, dedication by adverse use, inverse condemnation or condemnation proceedings, or by whatever name used, whether such claim or **Suit** is made directly against any **Covered Party** or by virtue of any agreement entered into, by or on behalf of any **Covered Party**.

y. **Zoning Liability**

Bodily Injury or Property Damage arising from the **Covered Party's** exercise of or failure to exercise its zoning or subdivision regulatory powers.

z. **Nuclear Liability**

Bodily Injury or Property Damage:

- (1) (a) With respect to which a **Covered Party** is also insured under a nuclear energy liability policy issued by Nuclear Energy Liability Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (b) Resulting from the **Hazardous Properties of Nuclear Material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **Covered Party** is, or had this self-insurance not been entered into would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

if: (c) Resulting from the **Hazardous Properties of Nuclear Material**,

- i) The **Nuclear Material** (a) is at any **Nuclear Facility** owned by, or operated by or on behalf of, a **Covered Party** or (b) has been discharged or dispersed therefrom;
- ii) The **Nuclear Material** is contained in **Spent Fuel or Waste** at any time possessed, handled, used, processed,

stored, transported or disposed of by or on behalf of a **Covered Party**; or

- iii) **Bodily Injury** or **Property Damage** arising out of the furnishing by a **Covered Party** of services, materials, parts or equipment in connection with the planning, maintenance, operation or use of any **Nuclear Facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to **Property Damage** to such **Nuclear Facility** and any property there at.

- (2) In addition to words and phrases that are defined in SECTION VI - DEFINITIONS, other words and phrases appearing in bold type in this exclusion have special meaning. They are defined below.

Hazardous Properties include radioactive, toxic or explosive properties;

Nuclear Material means **source material, special nuclear material or by-product material**;

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

Spent Fuel means any fuel-element or fuel component, solid or liquid, which has been used or exposed to radiation in a **Nuclear Reactor**;

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

Nuclear Facility means:

- (a) Any **Nuclear Reactor**;
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **spent fuel**, or (3) handling, processing or packaging **waste**;
- (c) Any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **Covered Party** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**;

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

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

Property Damage includes all forms of radioactive contamination of property.

aa. **Non-Compensatory Relief**

Any claim or **Suit** seeking relief or redress in any form other than compensatory damages, including but not limited to declaratory, injunctive relief, an accounting, fines, penalties or punitive or exemplary damages where permitted by law. The **Fund** shall not indemnify any **Covered Party** for any costs, fees, including attorneys' fees, or expenses that a **Covered Party** shall become obligated to pay as a result of any adverse judgment for injunctive or declaratory relief. The **Fund**, however, will afford a defense to the **Covered Party** for such claim or **Suit**, if not otherwise excluded, where, in addition to the non-compensatory relief, payment for compensatory damages is requested.

bb. **Breach of Contract**

Bodily Injury or **Property Damage** arising directly or indirectly out of the failure, refusal or inability of a **Covered Party** to enter into, renew, or perform any oral, written or implied contract or agreement between the **Covered Party** and any other person or entity.

cc. **Liquor Liability**

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

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

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Exclusions c. and e. through cc. do not apply to damage by fire to premises rented to the **Member**. A separate Limit of Self-Insurance applies to this coverage as described in LIMITS OF SELF-INSURANCE (SECTION III).

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Self-Insuring Agreement

a. The **Fund** will pay those sums that the **Covered Party** becomes legally obligated to pay as damage because of **Personal Injury** or **Advertising Injury** to which this self-insurance applies. The **Fund** will have the right and duty to defend any **Suit** seeking those damages. However, the **Fund** has no duty to defend any **Covered Party** against any **Suit** seeking damages for **Personal Injury** or **Advertising Injury** to which this self-insurance does not apply. The **Fund** may at its discretion investigate any offense and settle any claim or **Suit** that may result. But:

- (1) The amount the **Fund** will pay for damages is limited as described in LIMITS OF SELF-INSURANCE (SECTION III); and
- (2) The **Fund's** right and duty end when the **Fund** has used up the applicable Limit of Self-Insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS COVERAGES A AND B.

b. This self-insurance applies to:

- (1) **Personal Injury** caused by an offense arising out of the **Member's** business, excluding advertising, publishing, broadcasting or telecasting done by or for a **Member**;
- (2) **Advertising Injury** caused by an offense committed in the course of advertising a **Member's** goods, products or services;

but only if the offense was committed in the **Agreement Territory** during the **Agreement Period**.

2. Exclusions.

This self-insurance does not apply to:

a. **Personal Injury** or **Advertising Injury**:

- (1) Arising out of oral or written publication of material, if done by or at the direction of a **Covered Party** with knowledge of its falsity;
- (2) Arising out of oral or written publication of material whose first publication took place before the beginning of the **Agreement Period**;

- (3) Arising out of the willful violation of a penal statute or ordinance, committed by or with the consent of a **Covered Party**; or
- (4) For which the **Covered Party** has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the **Covered Party** would have in the absence of the contract or agreement.
- (5) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.
- (6) Arising out of the **Covered Party**'s activities or participation in a joint venture with others, involving amusement parks, skateboard facilities, dams, and water reservoirs, jails, nursing homes and sanitariums, hydroelectric or other power plants, railroads, sewage treatment plants, waste disposal, wharves, or other facilities for boats or vessels.

This exclusion does not apply if the above activities are reported to and accepted by the **Fund**.

- (7) Arising out of enactment of allegedly invalid, unlawful or discriminatory ordinances, regulations, requirements, practices or restrictions or actual or alleged noncompliance with or violations of applicable municipal, state or federal laws or regulations.
- (8) Arising out of the ownership, maintenance, operation or use of any airport.
- (9) Arising out of any offense, act or omission of the **Member's** security guard operations, police department or any other law enforcement agency including their agents or employees.

b. **Advertising Injury** arising out of:

- (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- (2) The failure of goods, products or services to conform with advertised quality or performance;
- (3) The wrong description of the price of goods, products or services; or
- (4) An offense committed by the **Covered Party** whose business is advertising, broadcasting, publishing or telecasting.

c. **Personal Injury** arising out of any:

- (1) Offense, act or omission of the **Member's** police department or any other law enforcement agency including their agents or employees;
- (2) (a) Refusal to employ;

- (b) Termination of employment;
 - (c) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, or other employment-related practices, policies, acts or omissions; or
 - (d) Consequential **Personal Injury** as a result of (a) through (c) above.
- d. Any loss, cost or expense arising out of any:
- (1) Request, demand or order that any **Covered Party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or
 - (2) Claim or Suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

COVERAGE C. MEDICAL PAYMENTS

1. Self-Insuring Agreement

- a. Once the liability of the Member has been established, the **Fund** will pay medical expenses as described below for **Bodily Injury** caused by an accident:

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

provided that:

- (1) The accident takes place in the **Agreement Territory** and during the **Agreement Period**;
- (2) The expenses are incurred and reported to the **Fund** within one year of the date of the accident; and
- (3) The injured person submits to examination, at the **Fund's** expense, by physicians of the **Fund's** choice as often as the **Fund** reasonably requires.

- b. These payments will not exceed the applicable limit of self-insurance. The **Fund** will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. **Exclusions**

The **Fund** will not pay expenses for **Bodily Injury**:

- a. To any **Covered Party**.
- b. To a person hired to do work for or on behalf of any **Covered Party** or a tenant of any **Covered Party**.
- c. To a person injured on that part of premises the **Member** owns or rents that the person normally occupies.
- d. To a person, whether or not an **Employee** of any **Covered Party**, if benefits for the **Bodily Injury** are payable or must be provided under a workers' compensation or disability benefits law or similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the **Products-Completed Operations Hazard**.
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

The **Fund** will pay, with respect to any claim or **Suit** the **Fund** defends:

- 1. All expenses the **Fund** incurs.
- 2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the **Bodily Injury** Liability Coverage, SECTION I., applies. The **Fund** does not have to furnish these bonds.
- 3. The cost of bonds to release attachments, but only for bond amounts within the applicable Limits of Self-Insurance. The **Fund** does not have to furnish these bonds.

4. All reasonable expenses incurred by the **Covered Party** at the **Fund**'s request to assist the **Fund** in the investigation or defense of the claim or **Suit**, including actual loss of earnings up to \$100 a day because of time off from work.
5. All costs taxed against the **Covered Party**.
6. Prejudgment interest awarded against the **Covered Party** on that part of the judgment the **Fund** pays. If the **Fund** makes an offer to pay the applicable Limit of Self-Insurance, the **Fund** will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before the **Fund** pays, offers to pay, or deposits in court the part of the judgment that is within the applicable Limit of Self-Insurance.

These payments will not reduce the Limits of Self-Insurance.

If the **Fund** defends a **Covered Party** against a **Suit** and an indemnitee of the **Covered Party** is also named as a party to the **Suit**, the **Fund** will defend that indemnitee if all of the following conditions are met:

- a. The **Suit** against the indemnitee seeks damages for which the **Covered Party** has assumed the liability of the indemnitee in a contract or agreement that is an **Insured Contract**;
- b. This self- insurance applies to such liability assumed by the **Covered Party**;
- c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by the **Covered Party** in the same **Insured Contract**;
- d. The allegations in the **Suit** and the information the **Fund** knows about the **Occurrence** are such that no conflict appears to exist between the interests of the **Covered Party** and the interests of the indemnitee;
- e. The indemnitee and the **Covered Party** ask the **Fund** to conduct and control the defense of that indemnitee against such **Suit** and agree that we can assign the same counsel to defend the **Covered Party** and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with the **Fund** in the investigation, settlement or defense of the **Suit**;
 - (b) Immediately send the **Fund** copies of any demands, notices, summonses or legal papers received in connection with the **Suit**;
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and

- (d) Cooperate with the **Fund** with respect to coordinating other applicable insurance available to the indemnitee; and
- (2) Provides the **Fund** with written authorization to:
 - (a) Obtain records and other information related to the **Suit**; and
 - (b) Conduct and control the defense of the indemnitee in such **Suit**.

So long as the above conditions are met, attorneys fees incurred by the **Fund** in the defense of that indemnitee, necessary litigation expenses incurred by the **Fund** and necessary litigation expenses incurred by the indemnitee at the **Fund**'s request will be paid as supplementary payments. Notwithstanding the provisions of paragraph 2.d.(2) of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I -- Coverages), such supplementary payments will not be deemed to be damages for **Bodily Injury** and **Property Damage** and will not reduce the limits of the self-insurance.

Our obligation to defend a **Covered Party**'s indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of self-insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in paragraph f. above, are no longer met.

SECTION II. - COVERED PARTIES

Each of the following is a **Covered Party** under this self-insurance to the extent set forth below:

- 1. The **Member**.
- 2. Any commission, board, authority, administrative department or other similar unit operated by or under the **Member**'s jurisdiction.
- 3. Any officer, director, elected or appointed official, any member of a board or commission or agency of the **Member**, and any **Employee** of the **Member** while acting within the scope of their duties or employment. However, no **Employee** is a **Covered Party** for:
 - a. **Bodily Injury** or **Personal Injury** 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 the injury; or
 - b. **Property Damage** to property owned or occupied by or rented or loaned to that **Employee** or any of the **Member**'s other **Employees**.
- 4. Any authorized **Volunteer** while acting within the scope of the duties assigned by the **Covered Party** and while under the general supervision of an officer, director, elected or

appointed official, member of a board or commission of the **Member**, or an **Employee** of the **Member**. However, no **Volunteer** is a **Covered Party** for:

- a. **Bodily Injury** or **Personal Injury** to a co-volunteer or an **Employee** of the **Member** while in the course of his her duties, or the spouse, child, parent, brother or sister of that co-volunteer or **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 the injury; or
 - b. **Property Damage** to property owned or occupied by or rented or loaned to that **Volunteer** or any of the **Member's** other **Volunteers** or **Employees**.
5. Any person (other than the **Member's** **Employees**), or any organization acting as the **Member's** real estate manager.
6. With respect to **Mobile Equipment** registered in the **Member's** name under any motor vehicle registration law, any person is a **Covered Party** while driving such equipment along a public highway with the **Member's** permission. Any other person or organization responsible for the conduct of such person is also a **Covered Party**, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is a **Covered Party** with respect to:

- a. **Bodily Injury** to a co-employee or co-volunteer of the person driving the equipment; or
- b. **Property Damage** to property owned by, rented to, in the charge of or occupied by the **Covered Party** or the employer of any person who is a **Covered Party** under this provision.

SECTION III. - LIMITS OF SELF-INSURANCE

1. The Limits of Self-Insurance shown in the Declarations and the provisions below fix the most the **Fund** will pay regardless of the number of:
 - a. **Covered Parties**;
 - b. Claims made or **Suits** brought; or
 - c. Persons or organizations making claims or bringing **Suits**.
2. The General Aggregate Limit is the most the **Fund** will pay for the sum of:
 - a. Damages under Coverage A, except damages because of **Bodily Injury** or **Property Damage** included in the **Products-Completed Operations Hazard**;
 - b. Damages under Coverage B; and

- c. Medical expenses under Coverage C.
3. The Products-Completed Operations Aggregate Limit is the most the **Fund** will pay under Coverage A for damages because of **Bodily Injury** and **Property Damage** included in the **Products-Completed Operations Hazard**.
 4. Subject to 2. above, the Personal and Advertising Injury Limit is the most the **Fund** will pay under Coverage B for the sum of all damages because of all **Personal Injury** and all **Advertising Injury** sustained by any one person or organization.
 5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most the **Fund** will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical Expenses under Coverage C
 because of all **Bodily Injury** and **Property Damage** arising out of any one **Occurrence**.
 6. Subject to 5. above, the Fire Damage Limit is the most the **Fund** will pay under Coverage A for damages because of **Property Damage** to premises rented to the **Member** arising out of any one fire.
 7. Subject to 5. above, the Medical Expense Limit is the most the **Fund** will pay under Coverage C for all medical expenses because of **Bodily Injury** sustained by any one person.

The Limits of this Self-Insurance apply separately to each consecutive **Agreement Period**.

SECTION IV. - DEDUCTIBLE

1. The **Fund's** obligation under Coverage A. Bodily Injury and Property Damage Liability and Coverage B. Personal and Advertising Injury Liability to pay damages on behalf of the **Covered Party** applies only to the amounts of damages in excess of any deductible amounts stated in the Declarations and the Limits of Self-Insurance applicable to Each Occurrence will be reduced by the amount of such deductible. Aggregate Limits of Self-Insurance shall not be reduced by the application of such deductible amount.
2. The deductible amounts shown in the Declarations apply to all damages and **Loss Adjustment Expense** as a result of any one **Occurrence** or offense.
3. The deductible amounts shown in the Declarations apply as follows:
 - a. **PER CLAIM BASIS** - if the deductible is on a per claim basis, the deductible amount applies:

Under Coverage A. Bodily Injury and Property Damage Liability and Coverage B. Personal and Advertising Injury Liability combined to all damages and **Loss Adjustment Expense** because of **Bodily Injury, Property Damage, Personal**

Injury or **Advertising Injury** sustained by one person or organization as the result of any one **Occurrence** or offense.

- b. PER OCCURRENCE BASIS - if the deductible is on a per occurrence basis, the deductible amount applies:

Under Coverage A., Bodily Injury and Property Damage Liability and Coverage B., Personal and Advertising Injury Liability combined to all damages and **Loss Adjustment Expense** because of **Bodily Injury, Property Damage, Personal Injury** and **Advertising Injury** as the result of any one **Occurrence** or offense regardless of the number of persons or organizations who sustain damages because of that **Occurrence** or offense.

- c. The terms of this self-insurance including those with respect to (1) the **Fund's** rights and duties with respect to defense of **Suits** and (2) the **Member's** Duties in the Event of an Occurrence, Claim or Suit apply irrespective of the application of the deductible amount.
- d. The **Fund** may pay any part or all of the deductible amount to effect settlement of any claim or **Suit** and upon notification of the action taken, the **Member** shall promptly reimburse the **Fund** for such part of the deductible amount that has been paid by the **Fund**.

SECTION V. - CONDITIONS

1. **Bankruptcy**

Bankruptcy or insolvency of the **Covered Party** or of the **Covered Party's** estate will not relieve the **Fund** of its obligations hereunder.

2. **Member's Duties In The Event of Occurrence, Claim or Suit**

- a. The **Member** must see to it that the **Fund** or its appointed representative is notified as soon as practicable of an **Occurrence** or an offense which may result in a claim. To the extent possible, notice should include:
- (1) How, when and where the **Occurrence** or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the **Occurrence** or offense.
- b. If a claim is made or **Suit** is brought against any **Covered Party**, the **Member** or **Covered Party** must:
- (1) Immediately record the specifics of the claim or **Suit** and the date received; and

- (2) Notify the **Fund** or its authorized representatives as soon as practicable.

The **Member** must see to it that the **Fund** or its authorized representative receives written notice of the claim or **Suit** as soon as practicable.

- c. The **Member** and any other involved **Covered Party** must:
 - (1) Immediately send the **Fund** or its authorized representative, copies of any demands, notices, summonses or legal papers received in connection with the claim or **Suit**;
 - (2) Authorize the **Fund** or its authorized representative to obtain records and other information;
 - (3) Cooperate with the **Fund** or its authorized representative in the investigation, settlement or defense of the claim or **Suit**; and
 - (4) Assist the **Fund** or its authorized representative, in the enforcement of any right against any person or organization which may be liable to the **Covered Party** because of injury or damage to which this self-insurance may also apply.
- d. No **Covered Party** will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the **Fund**'s or its authorized representative's consent.

3. **Action Against the Fund**

No person or organization has a right under this self-insurance:

- a. To join the **Fund** as a party or otherwise bring the **Fund** into a **Suit** asking for damages from a **Covered Party**; or
- b. To sue the **Fund** on this self-insurance unless all of its terms have been fully complied with.

A person or organization may sue the **Fund** to recover on an agreed settlement or on a final judgment against a **Covered Party** obtained after an actual trial; but the **Fund** will not be liable for damages that are not payable under the terms of this self-insurance or that are in excess of the applicable Limits of Self-Insurance. An agreed settlement means a settlement and release of liability signed by the **Fund**, the **Covered Party** and the claimant or the claimant's legal representative.

4. **Other Insurance**

If other valid and collectible insurance is available to the **Covered Party** for a loss the **Fund** covers under this self-insurance under Section I, Coverages A. or B. or Section VII, Coverages A. or B. of this self-insurance, the **Fund**'s obligations are limited as follows:

- a. Primary Self-Insurance

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

b. Excess Self-Insurance

This self-insurance is excess over any of the other insurance, whether primary, excess, contingent or any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for the **Member's Work**;
- (2) That is Fire insurance for premises rented to the **Member** or temporarily occupied by the **Member** with permission of the owner; or
- (3) If the loss arises out of the maintenance or use of aircraft, **Autos** or watercraft to the extent not subject to Exclusion h. of Coverage A (Section I).

When this self-insurance is excess, the **Fund** will have no duty under Section I, Coverages A. or B. or Section VII, Coverages A. or B. to defend any claim or **Suit** that any other insurer has a duty to defend. If no other insurer defends, the **Fund** will undertake to do so, but the **Fund** will be entitled to the **Covered Party's** rights against all other insurers.

When this self-insurance is excess over other insurance, the **Fund** will pay only its share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this self-insurance; and
- (2) The total of all deductible and self-insured amounts under all the other insurance.

The **Fund** will share the remaining loss, if any, with any other insurance that is not described in this Excess Self-Insurance provision and was not bought specifically to apply in excess of the Limits of Self-Insurance shown in the Declarations of this self-insurance.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares the **Fund** will follow this method also. Under this approach each insurer and the **Fund** contributes equal amounts until it has paid its applicable limit of insurance or limit of self-insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, the **Fund** will contribute by limits. Under this method, each insurer's and self-insurer's share is based on the ratio of its applicable limit of insurance or limit of

self-insurance to the total applicable limits of insurance and self-insurance of all insurers and self-insurers.

5. **Separation of Self-Insureds**

Except with respect to the Limits of Self-Insurance, and any rights or duties specifically assigned in this Coverage Part to the **Member**, this self-insurance applies:

- a. As if each **Member** were the only named **Member**; and
- b. Separately to each **Covered Party** against whom claim is made or **Suit** is brought.

6. **Motor Vehicle Laws**

When this self-insurance is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the self-insurance provided by Section I., Coverage A. for Bodily Injury and Property Damage liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.

The **Member** agrees to reimburse the **Fund** for any payment made by the **Fund** which the **Fund** would not have been obligated to make if not for the provisions contained in the above paragraph.

7. **Examination of the Member's Books and Records**

The **Fund**'s authorized representative may examine and audit the **Member**'s books and records as they relate to this self-insurance at any time during the **Agreement Period** and up to three years afterward.

8. **Inspections and Surveys**

The **Fund** and its authorized representative have the right but are not obligated to:

- a. Make inspections and surveys at any time;
- b. Give the **Member** reports on the conditions that the **Fund**'s authorized representative finds; and
- c. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to the **Member**'s participation in the **Fund** and to contributions made to the **Fund**. The **Fund** or its authorized representative do not make safety inspections. The **Fund** or its authorized representative do not undertake to perform the duty of any person or organization to provide for the health and safety of workers or the public. The **Fund** or its authorized representative do not warrant that conditions:

- a. Are safe or healthful; or

- b. Comply with laws, regulations, codes or standards.
9. **Transfer of the Member's Rights and Duties Under this Self-Insurance**
- The **Member's** rights and duties under this self-insurance may not be transferred without the **Fund's** written consent.
10. **Action Against a Member or Covered Party by a Covered Party**
- This self-insurance is not intended to and does not insure or otherwise protect, any **Covered Party** when that **Covered Party** is asserting a claim against the **Member** or any other **Covered Party**.

SECTION VI. - DEFINITIONS

Throughout the Texas Political Subdivisions Joint Self-Insurance Fund General Liability Coverage Document, words and phrases that appear in **bold type** have special meaning. They are defined below.

1. **Advertising Injury** means injury arising out of one or more of the following offenses:
 - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - b. Oral or written publication of material that violates a person's right of privacy;
 - c. Misappropriation of advertising ideas or style of doing business; or
 - d. Infringement of copyright, title or slogan.
2. **Agreement Period** means the period of time between the inception and expiration dates shown in the Declarations.
3. **Agreement Territory** means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world:
 - (1) If the injury or damage arises out of:
 - (a) Goods or products made or sold by the **Member** in the territory described in a. above; or

- (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on behalf of the **Member**; and
 - (2) the **Covered Party**'s responsibility to pay damages is determined in a **Suit** on the merits, in the territory described in a. above or in a settlement the **Fund** agrees to.
- 4. **Auto** means a land motor vehicle, trailer or semi trailer designed for travel on public roads, including any attached machinery or equipment. But **Auto** does not include **Mobile Equipment**.
- 5. **Bodily Injury** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 6. **Covered Party** means those persons or organizations listed in SECTION II- COVERED PARTIES.
- 7. **Employee** includes a **leased worker**. **Employee** does not include a **temporary worker**.
- 8. **Fund** means the not-for-profit Texas Political Subdivisions Joint Property/Casualty Self-Insurance Fund.
- 9. **Impaired Property** means tangible property, other than the **Member**'s **Product** or **Member**'s **Work**, that cannot be used or is less useful because:
 - a. It incorporates the **Member**'s **Product** or **Member**'s **Work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. The **Covered Party** has failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

 - a. The repair, replacement, adjustment or removal of the **Member**'s **Product** or the **Member**'s **Work**; or
 - b. The **Covered Party** fulfilling the terms of the contract or agreement.
- 10. **Insured Contract** means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to the **Member** or temporarily occupied by the **Member** with permission of the owner is not an **insured contract**.
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to the **Member's** business (including an indemnification of a municipality in connection with work performed for a municipality) under which the **Covered Party** assumes the tort liability of another party to pay for **Bodily Injury** or **Property Damage** to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

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

- 11. **Leased worker** means a person leased to the **Member** by a labor leasing firm under an agreement between the **Member** and the labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.
- 12. **Loading or Unloading** means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **Auto**;
 - b. While it is in or on an aircraft, watercraft, or **Auto**; or
 - c. While it is being moved from an aircraft, watercraft or **Auto** to the place where it is finally delivered;

but **Loading or Unloading** does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or **Auto**.

13. **Loss Adjustment Expense** means all costs, charges, expenses and expenditures which are properly chargeable to a claim, loss or **Suit** including, without limitation, court costs, fees and expenses of attorneys, investigators, experts and witnesses, travel expense, fees for obtaining diagrams, reports, documents and photographs, medical cost containment, rehabilitation fees, appraisals, transcript fees, court reporter fees, costs of obtaining public records and fees for obtaining independent medical examinations.

Loss Adjustment Expense shall not include salaries of employees of the **Fund's** authorized representative.

14. **Member** means the political subdivision within the State of Texas which is a present participant in the **Fund**.

15. **Member's Product** means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) The **Member**;
 - (2) Others trading under the **Member's** name; or
 - (3) A person or organization whose business or assets the **Member** has acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

A **Member's Product** includes:

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

A **Member's Product** does not include vending machines or other property rented to or located for the use of others but not sold.

16. **Member's Work** means:

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

A **Member's Work** includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of the **Member's Work**; and
 - b. The providing of or failure to provide warnings or instructions.
17. **Mobile Equipment** means any of the following types of land vehicles, including any attached machinery or equipment.
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises the **Member** owns or rents;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers.
 - f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing;
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
- 18. **Occurrence** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 19. **Official** means a person holding any of the positions created by the **Member's** charter, constitution, by-laws or any other similar governing document.
- 20. **Personal Injury** means injury, other than **Bodily Injury**, arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - e. Oral or written publication of material that violates a person's right of privacy.
- 21. a. **Products-Completed Operations Hazard** includes all **Bodily Injury** and **Property Damage** occurring away from premises the **Member** owns or rents and arising out of the **Member's** **Products** or the **Member's** **Work** except:
 - (1) Products that are still in the **Covered Party's** physical possession; or
 - (2) Work that has not yet been completed or abandoned.
- b. The **Member's** **Work** will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in the **Member's** contract has been completed.
 - (2) When all of the work to be done at the site has been completed if the **Member's** contract calls for work at more than one site.
 - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

- c. This hazard does not include **Bodily Injury** or **Property Damage** arising out of:
 - (1) 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;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials;

- 22. **Property Damage** means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the **Occurrence** that caused it.

- 23. **Suit** means a civil proceeding in which damages because of **Bodily Injury, Property Damage, Personal Injury** or **Advertising Injury** to which this self-insurance applies are alleged. **Suit** includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the **Covered Party** must submit or does submit with the **Fund**'s consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed to which the **Covered Party** submits with the **Fund**'s consent.

- 24. **Temporary Worker** means a person who is furnished to the **Member** to substitute for a permanent **Employee** on leave or to meet seasonal or short-term workload conditions.

- 25. **Volunteer** means any person whose services are uncompensated and whose activities are directed and supervised by, and for the benefit of, the **Member**. **Volunteer** does not include any person performing services which are ordered by, connected with, or supervised by any court, penal or law enforcement official or institution.

SECTION VII. - OPTIONAL COVERAGES

The **Fund** will provide the optional coverages indicated in this section if a Limit of Self-Insurance is shown in the Declarations and a contribution is made to the **Fund**. The optional coverages are:

- I. Employee Benefits Liability Coverage

I. EMPLOYEE BENEFITS LIABILITY COVERAGE

The following provisions of the General Liability Coverage Document do not apply to this optional Employee Benefits Liability Coverage:

SECTION I - Supplementary Payments - Coverages A and B

SECTION II - COVERED PARTIES

SECTION III - LIMITS OF SELF-INSURANCE

SECTION IV -- DEDUCTIBLE

A. Self-Insuring Agreement

The **Fund** will pay those sums that the **Covered Party** becomes legally obligated to pay as damages because of any negligent act, error or omission of the **Covered Party**, or of any other person for whose acts the **Covered Party** is legally liable. The negligent act, error or omission must be committed in the **Administration** of the **Member's Employee Benefit Program** during the **Agreement Period**. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of this optional coverage.

The negligent act, error or omission must take place in the **Agreement Territory**. The **Fund** will have the right and duty to defend any **Suit** seeking those damages. But:

1. The amount the **Fund** will pay for damages is limited as described in Paragraph E. LIMITS OF SELF-INSURANCE;
2. The **Fund** may at its discretion, investigate any report of a negligent act, error or omission and settle any claim or **Suit** that may result; and
3. The **Fund's** right and duty to defend ends when the **Fund** has used up the applicable Limit of Self-Insurance in the payment of judgments or settlements.

B. Exclusions

This self-insurance does not apply to:

1. Loss arising out of any dishonest, fraudulent, criminal or malicious act or omission, committed by any **Covered Party**;

2. **Bodily Injury, Property Damage, Personal Injury or Advertising Injury;**
3. Loss arising out of failure of performance of contract by any insurer;
4. Loss arising out of an insufficiency of monies or other resources to meet any obligations under any plan included in the **Employee Benefit Program;**
5. Any claim or **Suit** based upon:
 - a. Failure of any investment to perform as represented by any **Covered Party;** or
 - b. Advice given to any person to participate or not to participate in any plan included in the **Employee Benefit Program.**
6. Loss arising out of the **Covered Party's** failure to comply with the mandatory provisions of any law concerning workers' compensation, unemployment insurance, social security or disability benefits;
7. Loss for which the **Covered Party** is liable because of liability imposed on a fiduciary by the Employee Retirement Security Act of 1974, as now or hereafter amended; or
8. Loss or damages for which benefits have accrued under the terms of an employee benefit plan to the extent that such benefits are available from monies or other resources accrued by the **Covered Party** for such benefits or from collectible insurance, notwithstanding the **Covered Party's** act, error or omission in administering the plan which precluded the claimant from receiving such benefits.

C. Supplementary Payments - Employee Benefits Liability Coverage

The **Fund** will pay, with respect to any claim or **Suit** the **Fund** defends:

1. All expenses the **Fund** incurs.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Self-Insurance. The **Fund** does not have to furnish these bonds.
3. All reasonable expenses incurred by the **Covered Party** at the **Fund's** request to assist the **Fund** in the investigation or defense of the claim or **Suit**, including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs taxed against the **Covered Party** in the **Suit**.
5. Prejudgment interest awarded against the **Covered Party** on that part of the judgment the **Fund** pays. If the **Fund** makes an offer to pay the

applicable Limit of Self-Insurance, the **Fund** will not pay any pre-judgment interest based on that period of time after the offer.

6. All interest on the full amount of any judgment that accrues after entry of the judgment and before the **Fund** has paid, offers to pay, or deposited in court the part of the judgment that is within the applicable Limit of Self-Insurance.

These payments will not reduce the Limits of Self-Insurance.

D. Covered Parties

Each of the following is a **Covered Party** to the extent set forth below:

1. The **Member**.
2. Any employee of the **Member** who is authorized to administer the **Member's Employee Benefit Program**.

E. Limits of Self-Insurance

1. The Limits of Self-Insurance shown in the Declarations and the provisions below fix the most the **Fund** will pay regardless of the number of:
 - a. Covered Parties;
 - b. Claims made or **Suits** brought;
 - c. Persons or organizations making claims or bringing **Suits**;
 - d. Acts, errors or omissions which result in loss; or
 - e. Plans included in the **Member's Employee Benefit Program**.
2. The Aggregate Limit is the most the **Fund** will pay for all damages because of acts, errors or omissions committed in the **Administration** of the **Member's Employee Benefit Program**.
3. Subject to the Aggregate Limit, the Each Employee Limit is the most the **Fund** will pay for all damages sustained by any one employee, including the employee's dependents and beneficiaries, because of acts, errors or omissions committed in the **Administration** of the **Member's Employee Benefit Program**.

The Limits of Self-Insurance apply separately to each **Agreement Period**.

F. Deductible

1. The **Fund's** obligation to pay damages on behalf of the **Covered Party** applies only to the amount of damages in excess of \$1,000 deductible, applicable to Each Employee. The Limits of Self-Insurance applicable to

Each Employee will be reduced by the amount of this deductible. The Aggregate Limit will not be reduced by the application of such deductible amount.

2. The deductible amount applies to all damages and **Loss Adjustment Expense** sustained by an employee because of an act, error or omission covered by this self-insurance.
3. The terms of this self-insurance, including those with respect to:
 - a. The **Fund's** right and duty to defend any **Suits** seeking those damages; and
 - b. The **Member's** Duties in the Event of an Act, Error or Omission, Claim or **Suit** apply irrespective of the application of the deductible amount.
4. The **Fund** may pay any part or all of the deductible amount to effect settlement of any claim or **Suit** and, upon notification of the action taken, the **Member** shall promptly reimburse the **Fund** for such part of the deductible amount that has been paid by the **Fund**.

G. Additional Definitions

Definitions 3. **Agreement Territory**; 6. **Covered Party**; and 23. **Suit** found in SECTION VI - DEFINITIONS of the General Liability Coverage Document do not apply to this optional Employee Benefit Liability Coverage. Other words and phrases appearing in bold type for the optional Employee Benefit Liability Coverage have special meaning. They are defined below:

1. **Administration** means:
 - a. Counseling employees, including their dependents and beneficiaries, with respect to the **Employee Benefit Program**;
 - b. Handling records in connection with the **Employee Benefit Program**; or
 - c. Effecting or terminating any employee's participation in a plan included in the **Employee Benefit Program**.
2. **Agreement Territory** means the United States of America (including its territories and possessions), Puerto Rico and Canada.
3. **Employee Benefit Program** means the following plans:
 - a. Group life insurance, group accident or health insurance, **profit sharing plans**, pension plans and **stock subscription plans**, provided that no one other than an employee may subscribe to such insurance or plans;

- b. Unemployment insurance, social security benefits, workers compensation and disability benefits;
 - c. Any other similar plan designated in the section for Employee Benefit Liability Coverage of the Declarations.
- 4. **Covered Party** means those persons or organizations listed in Paragraph D. of this optional coverage.
 - 5. **Profit sharing plans** mean only such plans that are equally available to all full time Employees.
 - 6. **Stock subscription plans** mean only such plans that are equally available to all full time employees.
 - 7. **Suit** means a civil proceeding in which damages because of an act, error or omission to which this self-insurance applies are alleged. **Suit** includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the **Covered Party** must submit or does submit with the **Fund's** consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the **Covered Party** submits with the **Fund's** consent.

H. Additional Condition

Item 2., **Member's Duties** in the Event of Occurrence, Claim or **Suit**, Paragraphs a. and b. of SECTION V - CONDITIONS of the General Liability Coverage Document are not applicable to this optional Employee Benefits Liability Coverage and the following shall apply instead:

- 2. The **Member's Duties** in the Event of an Act, Error or Omission, Claim or **Suit**
 - a. The **Member** must see to it that the **Fund** or its authorized representative is notified as soon as practicable of an act, error or omission which may result in a claim. Notice should include:
 - (1) What the act, error or omission was and when it occurred;
 - (2) The names and addresses of any employees who may suffer damages as a result of the act, error or omission.
 - b. If claim is received by any **Covered Party**, the **Member** or **Covered Party** must:

- (1) Immediately record the specifics of the claim and the date received, and
- (2) Notify the **Fund** or its authorized representative as soon as practicable. The **Member** must see to it that the **Fund** or its authorized representative receives written notice of the claim as soon as possible.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 115
EXCLUSION OF LIABILITY FOR TERRORISTIC ACTS**

This self-insurance does not apply to any loss, claim or suit alleging **Bodily Injury, Property Damage, Personal Injury, Advertising Injury**, economic injury, non-economic injury or other damage directly or indirectly arising out of or as a consequence of any vandalism, sabotage or malicious act by one or more persons, whether or not agents of a sovereign power, carried out for political, terrorist or ideological purposes. This exclusion applies in time of peace or war and whether any resulting **Bodily Injury, Property Damage, Personal Injury, Advertising Injury**, economic injury, non-economic injury or other damage, loss or expense is accidental or intentional.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 116
EXCLUSION OF LIABILITY FOR FUNGI AND OTHER MICROBES**

This self-insurance does not apply to any loss, claim or suit alleging **Bodily Injury, Property Damage, Personal Injury, Advertising Injury**, economic injury, non-economic injury or other damage directly or indirectly arising out of or as a consequence of the presence, growth, proliferation, spread or any activity of “fungus,” bacteria, wet or dry rot, or other microorganisms or microbial agents.

“Fungus” means any type or form of fungus, including mold, rusts, smut, mildew, and any mycotoxins, spores, scents or by-products produced or released by such fungi.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT.
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 122
GENERAL ADDENDUM**

This addendum modifies coverage provided under the following:

GENERAL LIABILITY COVERAGE DOCUMENT

This self-insurance does not apply to any loss, claim or suit alleging any **Bodily Injury, Property Damage, Personal Injury, Advertising Injury**, economic injury or non-economic injury or other damage directly or indirectly:

- (1) arising out of, in connection with or caused or contributed to by any failure or inability to supply or any interruption of any adequate quantity of power, steam, pressure, fuel or water;
- (2) arising out of or caused by or contributed to by any operation, maintenance, use, ownership or control of responsibility for any hospital, treatment center or other medical, psychiatric or psychological facility or any facility which is similar or related to any of the foregoing, except as respects **Bodily Injury** or **Property Damage** arising out of fire, explosion, collapse or earthquake at such facility;
- (3) arising out of or caused or contributed to by or connected with any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (Public Law 93-406) or any amendment thereto or any similar provision of any local, state or federal law, statutory or common;
- (4) arising out of, caused by or contributed to by any actual deterioration, bursting, breaking, leaking, inadequacy, design of, control of, maintenance of, or any other alleged responsibility for any structure device, or water course, natural or man-made, including, but not limited to, dams, reservoirs, levees, banks, embankments, gates, canals, ditches, gutters, sewers, aqueducts, channels, culverts, retaining walls, drains, tanks, watershed, or drains, a purpose of which is the containing, carrying, impeding, channeling, diverting, or draining of water or other liquid; and
- (5) arising out of the sale or distribution or handling of contaminants, or pollutants including but not limited to acids, alkylides, chemicals, metals or bacteria in water sold, handled or distributed by or on behalf of the **Covered Party**.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT.
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 124
TRAMPOLINES EXCLUSION**

This addendum modifies coverage provided under the following:

GENERAL LIABILITY COVERAGE DOCUMENT.

This self-insurance does not apply to any claims arising out of **Bodily Injury** or **Property Damage** as a result of trampolines.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT.
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 126
COMMON COVERAGE DOCUMENT CONDITIONS**

All Coverage Parts included in this coverage document are subject to the following conditions.

A. CANCELLATION

1. The **Member** shown in the Declarations may cancel this coverage document by mailing or delivering to the **Fund** advance written notice of cancellation.
2. The **Fund** may cancel this coverage document by mailing or delivering to the **Member** written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if the **Fund** cancels for non-payment of contribution; or
 - b. 60 days before the effective date of cancellation if the **Fund** cancels for any other reason.
3. The **Fund** will mail or deliver the **Fund's** notice to the **Member's** last mailing address known to the **Fund**.
4. Notice of cancellation will state the effective date of cancellation. The **Agreement Period** will end on that date.
5. If this coverage document is cancelled, the **Fund** will send the **Member** any contribution refund due. If the **Fund** cancels, the refund will be pro rata. If the **Member** cancels, the refund may be less than pro rata. The cancellation will be effective even if the **Fund** has not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

This coverage document contains all the agreements between the **Member** and the **Fund** concerning the self-insurance afforded. The **Member** shown in the Declarations is authorized to make changes in the terms of this coverage document with the **Fund's** consent. This coverage document's terms can be amended or waived only by addenda issued by the **Fund** and made a part of this coverage document.

C. EXAMINATION OF THE MEMBER'S BOOKS AND RECORDS

The **Fund** may examine and audit the **Member's** books and records as they relate to this coverage document at any time during the **Agreement Period** and up to three years afterward.

D. INSPECTIONS AND SURVEYS

The **Fund** has the right but is not obligated to:

1. Make inspections and surveys at any time;
2. Give the **Member** reports on the conditions the **Fund** finds; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to self-insurability and the contributions to be charged. The **Fund** does not make safety inspections. The **Fund** does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And the **Fund** does not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

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

E. CONTRIBUTIONS

The **Member** shown in the Declarations:

1. Is responsible for the payment of all contributions; and
2. Will be the payee for any return contributions the **Fund** pays.

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

The **Member's** rights and duties under this coverage document may not be transferred without the **Fund's** written consent.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT.
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 127
NUCLEAR ENERGY LIABILITY EXCLUSION ADDENDUM
(Broad Form)**

This addendum modifies self-insurance provided under the following:

GENERAL LIABILITY COVERAGE DOCUMENT

1. The self-insurance does not apply:
 - A. Under any Liability Coverage, to **Bodily Injury** or, **Property Damage**:
 - (1) With respect to which a **Covered Party** under the coverage document is also a **Covered Party** under a nuclear energy liability coverage document issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be a **Covered Party** under any such coverage document but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the **Hazardous Properties** of **Nuclear Material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954 or any law amendatory thereof or (b) the **Covered Party** is, or had this coverage document not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to **Bodily Injury** resulting from the **Hazardous Properties** of **Nuclear Material** and arising out of the operation of a **Nuclear Facility** by any person or organization.
 - C. Under any Liability Coverage, to **Bodily Injury** or **Property Damage** resulting from **Hazardous Properties** of **Nuclear Material**, if:
 - (1) The **Nuclear Material** (a) is at any **Nuclear Facility** owned by, or operated by or on behalf of, the **Member** or (b) has been discharged or dispersed therefrom;
 - (2) The **Nuclear Material** is contained in **Spent Fuel** or **Waste** at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of a **Covered Party**, or

(3) The **Bodily Injury** or **Property Damage** arises out of the furnishing by a **Covered Party** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **Nuclear Facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to **Property Damage** to such **Nuclear Facility** and any property thereat.

2. As used in this addendum:

Hazardous Properties includes radioactive, toxic or explosive properties.

Nuclear Material means **Source Material**, **Special Nuclear Material** or **By-Product Material**.

Source Material, **Special Nuclear Material**, and **By-Product Material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

Spent Fuel means any fuel element or fuel component solid or liquid which has been in a **Nuclear Reactor**.

Waste means any waste material (a) containing **By-Product Material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **Source Material** content, and (b) resulting from the operation by any person or organization of any **Nuclear Facility** included under the first two paragraphs of the definition of **Nuclear Facility**.

Nuclear Facility means:

(a) Any **Nuclear Reactor**,

(b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **Spent Fuel**, or (3) handling, processing or packaging **Waste**,

(c) Any equipment or device used for the processing, fabricating or alloying of **Special Nuclear Material** if at any time the total amount of such material in the custody of the **Covered Party** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **Waste**;

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

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

Property Damage includes all forms of radioactive contamination of property.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT.
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 128
TEXAS CHANGES – CANCELLATION AND NONRENEWAL**

A. Paragraph 2 of the CANCELLATION Common Coverage Document Conditions is replaced by the following:

2. a. The **Fund** may cancel this coverage document by mailing or delivering to the **Member** written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.
- b. If this coverage document has been in effect for 60 or fewer days, the **Fund** may cancel for any reason.
- c. If this coverage document has been in effect for more than 60 days, the **Fund** may cancel only for one or more of the following reasons:
 - (1) Fraud in obtaining coverage;
 - (2) Failure to pay contributions when due;
 - (3) An increase in hazard within the control of the **Member** which would produce an increase in rate;
 - (4) Loss of the **Fund**'s reinsurance covering all or part of the risk covered by the coverage document; or
 - (5) If the **Fund** has been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.

B. The following condition is added and supersedes any provision to the contrary:

NONRENEWAL

- a. The **Fund** may elect not to renew this coverage document by mailing

- or delivering to the **Member**, at the last mailing address known to the **Fund**, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this coverage document will remain in effect until the 61st day after the date of which the notice is mailed or delivered. Earned contribution for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's contribution.
- b. If notice is mailed, proof of mailing will be sufficient proof of notice.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

ADDENDUM NO. 135

LIMITED DRONE COVERAGE

It is hereby agreed that **SECTION I. COVERAGE A. 2. Exclusions h.** of the General Liability Coverage Document is deleted and replaced with the following:

2. **EXCLUSIONS**

THIS SELF-INSURANCE DOES NOT APPLY TO:

h. **Aircraft, Auto or Watercraft**

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

This exclusion does not apply to:

- (1) A watercraft while ashore on premises the **Member** owns or rents;
- (2) A watercraft the **Member** does not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) A watercraft which is reported to and accepted by the **Fund**;
- (4) Parking an **Auto** on, or on the ways next to, premises the **Member** owns or rents, provided the **Auto** is not owned by or rented or loaned to the **Member** or a **Covered Party**;
- (5) Liability assumed under any **Insured Contract** for the ownership, maintenance, or use of aircraft or watercraft; or
- (6) **Bodily Injury or Property Damage** arising out of the operation of any equipment listed in paragraph f.(2) or f.(3) of the definition of **Mobile Equipment**. (Section VI. 17.).

(7) **Aircraft** that is:

Model **Aircraft** including drone aircraft less than 6 feet in length or width operated within the regulations and guidelines of the Federal Aviation Agency subject to a \$50,000 sublimit.

This exclusion does not apply if the **Member** has any other coverage for **Bodily Injury** or **Property Damage** liability that would also be covered by this exception, whether the other coverage is primary, excess, contingent or on any other basis. In that case, this exception does not provide any coverage.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 130
ADDITIONAL COVERED PARTY - LESSOR OF LEASED EQUIPMENT**

This addendum modifies self-insurance provided under the following:

GENERAL LIABILITY COVERAGE DOCUMENT

SCHEDULE

Name of Person or Organization (Additional **Covered Party**):

**Caterpillar Financial Services Corp. and/or Its Assignee
2120 West End Avenue
Nashville, TN 37203-0001**

Applies to:

Caterpillar Wheel Loader 926M – Serial #LTE04245 \$154,429

- A. Section II - COVERED PARTIES is amended to include as a **Covered Party** the person or organization shown in the Schedule, but only with respect to liability for **Bodily Injury**, **Property Damage**, **Personal Injury** or **Advertising Injury** caused, in whole or in part, by the **Member's** maintenance, operation or use of equipment leased to the **Member** by such person or organization.
- B. With respect to the self-insurance afforded to these additional **Covered Parties**, this self-insurance does not apply to any **Occurrence** which takes place after the equipment lease expires.

This addendum will apply only to the extent allowable by law.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT.
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 131
JAILS PREMISES OPERATIONS COVERAGE**

This addendum modifies coverage provided under the following:

GENERAL LIABILITY COVERAGE DOCUMENT

2. Exclusions, c. **Jail Liability** is replaced by the following:

c. **Jail Liability**

Bodily Injury or **Property Damage** arising out of the ownership, operation, maintenance or use of any jail, prison or other place of incarceration.

This exclusion does not apply to **Bodily Injury** or **Property Damage** arising out of ownership, maintenance or use of the **Member's** premises that is incidental to jail operations.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
GENERAL LIABILITY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

ADDENDUM NO. 138

EXCLUSION OF LOSS DUE TO COMMUNICABLE DISEASE

The following exclusion is added to this coverage document; supersedes any term, provision or addenda to the contrary in this coverage document; and applies notwithstanding such term, provision or addenda:

This self-insurance does not apply to any actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease**.

For the purposes of this Addendum, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease**.

As used herein, a **Communicable Disease** means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
3. the disease, substance or agent can cause or threaten **bodily injury**, illness, emotional distress, damage to human health, human welfare or **property damage**.

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PUBLIC OFFICIALS LIABILITY DECLARATION**

Contract Number: 21-F0649

SUBJECT TO ITS TERMS, THIS COVERAGE DOCUMENT PROVIDES COVERAGE FOR CLAIMS FIRST MADE DURING THE AGREEMENT PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE. GENERALLY, DEFENSE EXPENSES ARE PAID IN ADDITION TO THE LIMITS OF SELF-INSURANCE. PLEASE READ AND REVIEW THE COVERAGE DOCUMENT CAREFULLY.

Item 1. Name and Mailing Address of Member: Sutton County
PO Box 16
Sonora, TX 76950

Item 2. Agreement Period:

- (a) Effective Date: 10/01/2021
- (b) Expiration Date: 10/01/2022

At 12:01AM Standard Time at the Member's Mailing Address Shown Above

Item 3. Limits of Self-Insurance:

- (a) Public Officials Professional Liability
\$1,000,000
Fund's maximum Limit of Self-Insurance for all Loss from each Claim under SELF-INSURING AGREEMENT I.A.
 - (b) Employment Practices Liability
\$1,000,000
Fund's maximum Limit of Self-Insurance for all Loss from each Claim under SELF-INSURING AGREEMENT I.B.
 - (c) Coverage Document Aggregate
\$1,000,000
Fund's aggregate Limit of Self-Insurance for all Loss from all Claims under SELF-INSURING AGREEMENT I.A and SELF-INSURING AGREEMENT I.B. .
-

Item 4. Retentions:

- (a) \$10,000 each and every Claim under SELF-INSURING AGREEMENT I.A.
- (b) \$10,000 each and every Claim under SELF-INSURING AGREEMENT I.B.

Item 5. Notices Required to be Given to the Fund Must Be Addressed to:

Texas Political Subdivisions
14990 Landmark Blvd., Suite 300
Dallas, Texas 75254

Item 6. Contribution:

§ 5,265.00

Item 7. Retroactive Date:

Item 8. Addenda Attached at Issuance:

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THESE DECLARATIONS, THE COVERAGE DOCUMENT, ANY ADDENDA, THE INTERLOCAL AGREEMENT AND THE APPLICATION CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE FUND AND THE COVERED PARTY RELATING TO THIS SELF-INSURANCE.

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PUBLIC OFFICIALS LIABILITY COVERAGE DOCUMENT
CLAIMS-MADE COVERAGE**

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

SUBJECT TO ITS TERMS, THIS COVERAGE DOCUMENT PROVIDES COVERAGE FOR CLAIMS FIRST MADE DURING THE AGREEMENT PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE. GENERALLY, DEFENSE EXPENSES ARE PAID IN ADDITION TO THE LIMITS OF SELF-INSURANCE. PLEASE READ AND REVIEW THE COVERAGE DOCUMENT CAREFULLY.

In consideration of the payment of the contribution and in reliance upon all statements made and information furnished to the **Fund** including the statements made in the **Application**, the **Fund** and the **Member**, subject to all of the terms, conditions and limitations of this Coverage Document and any addenda thereto, agree as follows:

I. SELF-INSURING AGREEMENTS

A. Public Officials Professional Liability

The **Fund** will pay on behalf of any **Covered Party**, subject to the Limit of Self-Insurance set forth in ITEM 3(a) of the Declarations, **Loss** which the **Member** is legally obligated to pay as a result of any **Claim** first made against any **Covered Party** during the **Agreement Period** or any applicable Extended Reporting Period for a **Public Officials Wrongful Act** which occurred on or after the **Retroactive Date** and before the end of the **Agreement Period**.

B. Employment Practices Liability

The **Fund** will pay on behalf of any **Covered Party**, subject to the Limit of Self-Insurance set forth in ITEM 3(b) of the Declarations, **Loss** which the **Member** is legally obligated to pay as a result of any **Claim** first made against any **Covered Party** during the **Agreement Period** or any applicable Extended Reporting Period for an **Employment Practices Wrongful Act** which occurred on or after the **Retroactive Date** and before the end of the **Agreement Period**.

In addition to the applicable Limits of Self-Insurance set forth in ITEM 3 of the Declarations, the **Fund** will have the right and duty to defend any **Claim** first made against any **Covered Party** for a **Wrongful Act** which is covered under SELF-INSURING AGREEMENTS I.A. or I.B. of this Coverage Document, even if the allegations of such **Claim** are groundless, false or fraudulent.

II. DEFINITIONS

- A. **Agreement Period** means the period from the Effective Date of this Coverage Document, set forth in ITEM 2(a) of the Declarations, to the Expiration Date of this Coverage Document set forth in ITEM 2(b) of the Declarations, or to any earlier cancellation date of this Coverage Document.
- B. **Application** means the application submitted to the **Fund**, any and all materials and information submitted to the **Fund** in connection with such application, and all publicly available material that is created by the **Member** about the **Member** that the **Fund** obtained prior to the Effective Date of the Coverage Document, all of which are deemed to be on file with the **Fund** and are deemed to be attached to, and form a part of, this Coverage Document, as if physically attached.
- C. **Business Invitee** means a natural person, solely in their capacity as one who is invited to enter into and remain on any premises owned or operated by the **Member** for a purpose directly or indirectly connected with the governmental dealings therein. A **Business Invitee** shall not, under any circumstances, include a trespasser or any other person who enters any premises of the **Member** without its knowledge or permission, or any **Employee**.
- D. **Claim** means:
- (1) any written demand for monetary damages;
 - (2) any written request to toll or waive any statute of limitations;
 - (3) any civil proceeding in a court of law or equity, including any appeal therefrom, which is commenced by the filing of a complaint, motion for judgment, or similar proceeding;
 - (4) any criminal proceeding which is commenced by the return of an indictment or similar document;
 - (5) any arbitration proceeding, or any other alternative dispute resolution proceeding, to which the Member must submit or does submit with the **Fund's** consent.

A **Claim** will be deemed to have been first made when a **Member** receives notice of the **Claim**.

- E. **Contaminant-Toxin** means any of the following:
- (1) smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials (including medical or pharmaceutical supplies and materials which are intended to be or have been recycled, reconditioned or reclaimed) or other irritants, pollutants or contaminants;
 - (2) mold(s), mildew(s), fungi and/or spore(s); or any materials, goods or products containing, harboring or nurturing any such mold(s), mildew(s), fungi and/or spore(s);

- (3) lead, silica or asbestos, whether or not airborne as a particle, contained in or formed as part of a product, structure or other real or personal property, ingested or inhaled or transmitted in any fashion, or found in any form whatsoever; or
- (4) nuclear reaction, radioactive contamination or any radiation of any kind, including but not limited to nuclear radiation and electromagnetic radiation.

F. **Covered Party** means:

- (1) the **Member**;
- (2) all past, present or future duly elected, appointed or employed officials, directors, or members of commissions, boards or other units operated by the **Member** and under its jurisdiction, within the apportionment of the **Member's** operating budget in the **Application**;

provided that **Covered Party** shall not include the following boards, commissions or units, or any officials, directors, members or employees thereof: schools, airports, transit authorities, hospitals, nursing homes, housing authorities, port authorities, any type of utility companies, or any similar boards, commissions or units unless otherwise provided in an addendum attached hereto; and

- (3) **Employees**.

In the event of the death, incapacity or bankruptcy of an individual **Covered Party**, any **Claim** against the estate, heirs, legal representatives or assigns of such individual **Covered Party** for a **Wrongful Act** will be deemed a **Claim** against such individual **Covered Party**.

- G. **Defense Expenses** means reasonable legal fees and expenses incurred by or on behalf of the **Member** in the defense or appeal of a **Claim**; provided, however, that **Defense Expenses** will not include the **Member's** overhead expenses or any salaries, wages, fees, or benefits of its **Employees**. **Defense Expenses** shall include the cost of any bond or appeal bond required in any civil suit, but only for bond amounts within the applicable Limit of Self-Insurance shown in ITEM 3 of the Declarations; provided that the **Fund** shall not be obligated to apply for or furnish any such bond.

- H. **Employee** means the following natural persons, but only for **Wrongful Acts** committed while acting within the scope of employment for the **Member**:

- (1) full-time, part-time, seasonal and temporary employees; and
- (2) all persons who perform services on a volunteer basis for the **Member**, and under the direction and control of the **Member**.

Employee shall not include persons providing services to the **Member** under a mutual aid agreement or any similar agreement.

- I. **Employment Practices Wrongful Act** means any of the following, when alleged by

any past or present **Employee** of the **Member** or any applicant for employment with the **Member**, in connection with that person's actual or proposed employment relationship with the **Member**:

- (1) wrongful dismissal, discharge or termination of employment, whether actual or constructive;
- (2) harassment (including sexual harassment whether "quid pro quo", hostile work environment or otherwise);
- (3) discrimination based upon age, gender, race, color, national origin, religion, sexual orientation, pregnancy or disability or any basis prohibited by federal, state or local laws;
- (4) breach of any manual of employment policies or procedures issued to the **Covered Parties** by the **Member**;
- (5) retaliatory action in response to that **Employee's**:
 - (a) disclosure or threat of disclosure of any act by a **Covered Party** alleged to be a violation of any federal, state, or local law, common or statutory, or any rule or regulation promulgated thereunder;
 - (b) actual or attempted exercise of any right that **Employee** has under law;
 - (c) filing of any **Claim** under the Federal False Claims Act or any other federal, state, or local "whistle-blower" law;
- (6) misrepresentation, libel, slander, humiliation, defamation, invasion of privacy, infliction of emotional distress or mental anguish; or
- (7) wrongful failure to employ or promote, wrongful deprivation of career opportunity, including tenure, wrongful demotion or evaluation or wrongful discipline.

J. **Fund** means Texas Political Subdivisions Joint Self Insurance Fund.

K. **Loss** means damages, pre-judgment interest, post-judgment interest, front pay and back pay, final judgments or settlements, or other amounts that a **Covered Party** is legally obligated to pay as a result of a **Claim**. **Loss** will not include:

- (1) **Defense Expenses**;
- (2) **Non-Monetary Relief**;
- (3) any amount representing the value of diminished or lost retirement, health care or other benefits;
- (4) fines, taxes, penalties; or
- (5) punitive or exemplary damages or the multiplied portion of multiplied damages.

- L. **Member** means the public entity set forth in ITEM 1 of the Declarations.
- M. **Non-Monetary Relief** means relief or redress in any form other than compensatory or monetary damages, including: the costs of complying with any injunctive, declaratory or equitable relief, remedy or order; the costs of compliance with the Americans with Disabilities Act or any similar provisions of federal, state or local statutory or common law; and any award of claimant's or plaintiffs' attorneys' fees or costs, whether or not provided for by statute, but only with respect to **Claims** seeking such non-monetary relief.
- N. **Personal Injury** means the following, when alleged against a **Covered Party** by an entity or a person who is not a past or present **Covered Party**, or applicant for employment with the **Member**: libel, slander, or other defamation, or invasion of privacy.
- O. **Public Officials Wrongful Act** means:
- (1) any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty, including any **Personal Injury**, by any **Covered Party**;
 - (2) any actual or alleged violation of civil rights protected under 42 USC 1981 et seq., or any similar federal, state or local law, by any **Covered Party**;
 - (3) any matter claimed against a **Covered Party** solely by reason of his or her status as a **Covered Party** during the **Agreement Period**;
- and committed in the performance of his or her duties for the **Member**.
- P. **Related Claims** means all **Claims** for **Wrongful Acts** based upon, arising out of, resulting from, or in any way involving the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events, whether related logically, causally or in any other way.
- Q. **Retroactive Date** means the applicable date set forth in ITEM 7 of the Declarations.
- R. **Sexual Abuse and Molestation** means any actual or alleged conduct, physical act, gesture or spoken or written word of a sexual nature directed by a **Covered Party**, or by any person for whom a **Covered Party** is legally responsible, toward any person under the care, custody or control of any **Covered Party**, including without limitation any actual, alleged or threatened sexual intimacy (even if allegedly consensual), molestation, assault or battery, exploitation or any other sexual act.
- S. **Terrorism** means activities against persons, organizations or property of any nature:
- (1) that involve the following or preparation for the following:
 - (a) use or threat of force or violence; or
 - (b) commission or threat of a dangerous act; or
 - (c) commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

- (2) when one or both of the following applies:
 - (a) the effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (b) it appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

T. **Wrongful Act** means any **Public Officials Wrongful Act**, or **Employment Practices Wrongful Act**.

III. EXCLUSIONS

- A. The **Fund** shall not pay **Loss**, but shall only pay **Defense Expenses**, from any **Claim** brought about or contributed to in fact by:
 - (1) any willful misconduct or dishonest, fraudulent, criminal or malicious act, error or omission by any **Covered Party**;
 - (2) any willful violation by any **Covered Party** of any law, statute, ordinance, rule or regulation; or
 - (3) any **Covered Party** gaining any profit, remuneration or advantage to which such **Covered Party** is not legally entitled.

The applicability of EXCLUSIONS A(1), A(2) and A(3) to any specific **Covered Party** may be determined by an admission of such **Covered Party**, a finding, or a final adjudication in the proceeding constituting the **Claim**, or in a proceeding separate from or collateral to the **Claim**. If any specific **Covered Party** in fact engaged in the conduct specified in EXCLUSIONS A(1), A(2) or A(3), such **Covered Party** shall reimburse the **Fund** for any **Defense Expenses** advanced to or on behalf of such **Covered Party**.

- B. The **Fund** shall not pay any **Loss** or **Defense Expenses** from any **Claim**:
 - (1) under SELF-INSURING AGREEMENTS 1.A. or 1.B.
 - (2) by, on behalf of or in the name or right of:
 - (a) the **Member**; or
 - (b) any duly elected, appointed or employed director or official of the **Member**, or any member of a commission, board or other unit operated by the **Member** and under its jurisdiction, and within the apportionment of the **Member's** operating budget in the **Application**, unless in the form of a cross-claim or a third-party complaint arising from a **Claim** made against such director, official or member, that is otherwise covered under this Coverage Document;
 - (3) for actual or alleged violation of the Fair Labor Standards Act, the National Labor

Relations Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, any workers' compensation, unemployment insurance, social security, or disability benefits law, other similar provision of any federal, state or local statutory or common law or any rules or regulations promulgated under any of the foregoing, including, but not limited to, any actual or alleged improper payroll practices, wage and hour policies, and payment of overtime or vacation pay; provided, however, that this EXCLUSION B(3) shall not apply to the extent that any **Claim** otherwise alleges an **Employment Practices Wrongful Act**;

- (4) for any actual or alleged express or assumed liability of any **Covered Party** under an indemnification agreement; provided that this EXCLUSION B(4) shall not apply to any tort liability that would have attached to the **Member** in the absence of such agreement and is otherwise self-insured under this Coverage Document;

C. The **Fund** shall not pay any **Loss** or **Defense Expenses** from any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:

- (1) any actual or alleged damage to, destruction of or loss of use of, any tangible property;
- (2) any actual or alleged bodily injury, corporal punishment, sickness, disease or death;
- (3) emotional distress or mental anguish, provided, however, this EXCLUSION C(3) shall not apply to any emotional distress or mental anguish alleged in any **Claim** for an **Employment Practices Wrongful Act**;
- (4) any **Sexual Abuse or Molestation**, including without limitation any actual or alleged liability for committing **Sexual Abuse or Molestation** or permitting or failing to prevent, stop, detect or reveal **Sexual Abuse or Molestation**, whether such liability is alleged as a violation of civil rights protected under 42 USC 1981 et seq. or any similar federal, state or local law, or as a tort or other breach of duty;
- (5) any actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, dispersal, seepage, migration, release, growth, infestation, spread, escape, treatment, removal or disposal of, any **Contaminant-Toxin**, or any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Contaminant-Toxin**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request;
- (6) any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974, or amendments thereto or any similar provisions of state statutory law or common law;
- (7) any actual or alleged liability of the **Member** under any express contract or agreement, unless such liability would have attached to the **Member** in the absence of such express contract or agreement. For the purposes of this EXCLUSION C(7), an "express contract or agreement" is an actual agreement

among the contracting parties, the terms of which are openly stated in distinct or explicit language, either orally or in writing, at the time of its making, but does not include any manual of employment policies or procedures issued to the **Covered Parties** by the **Member**;

- (8) any actual or alleged failure to obtain, implement, effect, comply with, provide notice under or maintain any form, policy, plan or program of insurance, stop loss or provider excess coverage, reinsurance, self-insurance, suretyship or bond;
- (9) any fact, circumstance, situation, transaction, event or **Wrongful Act** or series of facts, circumstances, situations, transactions, events or **Wrongful Acts**:
 - (a) underlying or alleged in any mediation, arbitration, grievance proceeding, litigation or administrative or regulatory proceeding brought prior to and/or pending as of the Effective Date set forth in ITEM 2(a) of the Declarations:
 - (i) to which any **Covered Party** is or was a party; or
 - (ii) with respect to which any **Covered Party**, as of the Effective Date set forth in ITEM 2(a) of the Declarations, knew or should reasonably have known that a **Covered Party** would be made a party thereto;
 - (b) which was the subject of any notice given prior to the Effective Date set forth in ITEM 2(a) of the Declarations under any other policy of insurance or plan or program of self-insurance; or
 - (c) which was the subject of any **Claim** made prior to the Effective Date set forth in ITEM 2(a) of the Declarations;

if, however, this Coverage Document is a renewal of one or more Coverage Documents previously issued by the **Fund** to the **Member**, and the coverage provided by the **Fund** to the **Member** was in effect, without interruption, for the entire time between the inception date of the first such other coverage document and the Effective Date of this Coverage Document, the reference in this EXCLUSION B(9) to the Effective Date will be deemed to refer instead to the Effective Date of the first coverage document under which the **Fund** began to provide the **Member** with the continuous and uninterrupted coverage of which this Coverage Document is a renewal;

- (10) any lockout, strike, picket line, hiring of replacement workers, riot or civil commotion, or other similar actions in connection with labor disputes or labor negotiations;
- (11) any activities of any law enforcement agency or law enforcement personnel, including the operation of any jail cell, holding cell, detention or lock up facility;
- (12) eminent domain, adverse possession, dedication by adverse use, inverse condemnation or condemnation proceedings;
- (13) debt financing, including but not limited to bonds, notes, debentures and

- guarantees of debt;
- (14) the formulation of tax rates, the collection of taxes and/or the disbursement of tax refunds;
 - (15) any procurement, service, construction, architectural or engineering contract;
 - (16) construction, architectural, engineering, legal or other professional services rendered by a **Covered Party** for an individual or entity other than the **Member** itself;
 - (17) war, whether or not declared, or any act or condition incidental to war, including civil war, insurrection, rebellion or revolution; or **Terrorism**.

IV. CONDITIONS

A. Limits of Self-Insurance, Retentions:

Regardless of the number of **Claims** brought under this Coverage Document, the number of persons or entities included within the definition of **Covered Party**, or the number of claimants, the **Fund's** liability is limited as follows:

- (1) Public Officials Professional Liability Limit of Self-Insurance

Subject to the Coverage Document Aggregate Limit of Self-Insurance, the amount set forth in ITEM 3(a) of the Declarations shall be the maximum Limit of Self-Insurance of the **Fund** for all **Loss** in excess of the applicable **Retention** set forth in ITEM 4 of the Declarations, resulting from each **Claim** under SELF-INSURING AGREEMENT I.A. for which this Coverage Document provides coverage.

- (2) Employment Practices Liability Limit of Self-Insurance

Subject to the Coverage Document Aggregate Limit of Self-Insurance, the amount set forth in ITEM 3(b) of the Declarations shall be the maximum Limit of Self-Insurance of the **Fund** for all **Loss** in excess of the applicable **Retention** set forth in ITEM 4 of the Declarations, resulting from each **Claim** under SELF-INSURING AGREEMENT I.B. for which this Coverage Document provides coverage.

- (3) Coverage Document Aggregate Limit of Self-Insurance

The amount set forth in ITEM 3(c) of the Declarations shall be the maximum aggregate Limit of Self-Insurance of the **Fund** for all **Loss** resulting from all **Claims** under SELF-INSURING AGREEMENT I.A. and SELF-INSURING AGREEMENT I.B. for which this Coverage Document provides coverage.

- (4) Except as provided in CONDITION A(7) below, **Defense Expenses** payable under SELF-INSURING AGREEMENTS I.A. or I.B. are paid in addition to the applicable Limits of Self-Insurance set forth in ITEMS 3(a), (b) or (c) of the Declarations, and payment of **Defense Expenses** by the **Fund** will not reduce

such applicable Limit of Self-Insurance.

- (5) The **Fund** shall not be obligated under the Coverage Document to pay more than the applicable Limit of Self-Insurance set forth in ITEM 3(c) of the Declarations, for all **Defense Expenses** resulting from **Claims** for which the resulting **Loss** is wholly excluded from coverage under EXCLUSION A of this Coverage Document.
- (6) The obligation of the **Fund** to pay **Loss** or **Defense Expenses**, or to defend any **Claim**, under SELF-INSURING AGREEMENTS I.A. or I.B., will only be in excess of the applicable **Retention** set forth in ITEM 4 of the Declarations. The **Fund** will have no obligation whatsoever, either to the **Covered Parties** or to any other person or entity, to pay all or any portion of any **Retention** amount on behalf of any **Covered Party**, although the **Fund** will, at its sole discretion, have the right and option to advance such amount, in which event the **Member** agrees to repay the **Fund** any amounts so advanced.
- (7) Related **Claims** will be deemed a single **Claim**, and only one "Each Claim" Limit of Self-Insurance, and only one **Retention**, will apply.

B. Defense and Settlement of Claims:

- (1) No **Covered Party** may incur any **Defense Expenses** or admit liability for, or settle, or offer to settle, any **Claim** without the **Fund's** written consent.
- (2) The **Fund** will have the right to make investigations and, solely with respect to SELF-INSURING AGREEMENTS I.A. and I.B., conduct negotiations and enter into the settlement of any **Claim** as the **Fund** deems appropriate, with the consent of the **Member**. If the **Member** refuses to consent to a settlement acceptable to the claimant in accordance with the **Fund's** recommendation, then, subject to the applicable Limit of Self-Insurance set forth in ITEM 3 of the Declarations, the **Fund's** liability for such **Claim** will not exceed:
 - (a) the amount for which such **Claim** could have been settled by the **Fund** plus **Defense Expenses** up to the date the **Member** refused to settle such **Claim**; plus
 - (b) fifty percent (50%) of any **Loss** and/or **Defense Expenses** in excess of the amount in clause (a) above, incurred in connection with such **Claim**. The remaining **Loss** and/or **Defense Expenses** will be carried by the **Member** at its own risk and will be uninsured.
- (3) The **Fund** will have no obligation to pay **Loss** or **Defense Expenses**, or to defend or continue to defend any **Claim**, under SELF-INSURING AGREEMENTS I.A. or I.B., after the applicable Limit of Self-Insurance, as set forth in ITEM 3 of the Declarations, has been exhausted by the payment of **Loss**. If the **Fund's** maximum aggregate Limit of Self-Insurance, as set forth ITEM 3(c) of the Declarations, is exhausted by the payment of **Loss**, the entire contribution will be deemed fully earned.

C. **Other Insurance:**

- (1) All **Loss** payable under this Coverage Document will be specifically excess of and will not contribute with other valid insurance (whether collectible or not), including but not limited to any other insurance under which there is a duty to defend, unless such other insurance is specifically stated to be in excess of this Coverage Document. This Coverage Document will not be subject to the terms of any other insurance. Other insurance includes, but is not limited to, coverage or benefits provided by self-insurance arrangements, pools, self-insurance trusts, captive insurance companies, retention groups, reciprocal exchanges or any other plan or agreement of risk transfer or assumption.
- (2) Notwithstanding CONDITION C(1) above, with respect to any **Claim** under this Coverage Document for which coverage is available under any insurance policy which applies to claims for **bodily injury** and/or **property damage**, the **Fund** will have no duty to defend such **Claim**, or to pay **Defense Expenses** incurred by or on behalf of any **Covered Party** in connection with such **Claim** or to contribute to any defense provided to any **Covered Party** under such other insurance policy, or to reimburse any other insurer, in whole or in part, for **Defense Expenses** incurred in connection with such **Claim**.

D. **Cooperation; Subrogation:**

In the event of a **Claim**, the **Member** will provide the **Fund** with all information, assistance and cooperation that the **Fund** reasonably requests, and will do nothing that may prejudice the **Fund's** position or potential or actual rights of recovery. At the **Fund's** request, the **Member** will assist in any actions, suits, or proceedings, including but not limited to attending hearings, trials and depositions, securing and giving evidence, and obtaining the attendance of witnesses, and will also assist in making settlements. In the event of payment, the **Fund** will be subrogated to the extent of any payment to all of the rights of recovery of the **Member**. The **Member** will execute all papers and do everything necessary to secure such rights, including the execution of any documents necessary to enable the **Fund** to effectively bring suit in their name. The obligations of the **Member** under this CONDITION D will survive the expiration or cancellation of the Coverage Document.

E. **Extended Reporting Period:**

- (1) If either the **Fund** or the **Member** cancels, refuses or declines to renew this Coverage Document for any reason other than nonpayment of contribution, and, within thirty (30) days of the end of the **Agreement Period**, the **Member** elects to purchase the Extended Reporting Period Coverage Document pursuant to one of the available options as set forth below, then the coverage otherwise afforded by this Coverage Document will be extended to apply to **Loss** or **Defense Expenses** from **Claims** first made during the Extended Reporting Period, but only if such **Claims** are for **Wrongful Acts** committed before the end of the **Agreement Period** or the date of any conversion of coverage under CONDITION I, whichever is earlier. The Extended Reporting Period does not increase or reinstate any Limit of Self-Insurance and may only be purchased if all contributions and retentions due under the Coverage Document have been paid. Once purchased, the Extended Reporting Period may not be canceled and the contribution shall be deemed fully earned.

- (2) Extended Reporting Period Options:
 - (a) a one (1) year extended reporting period for an additional contribution of seventy percent (70%) of the Contribution set forth in ITEM 6 of the Declarations;
 - (b) a two (2) year extended reporting period for an additional contribution of one hundred percent (100%) of the Contribution set forth in ITEM 6 of the Declarations; or
 - (c) a three (3) year extended reporting period for an additional contribution of one hundred and fifty percent (150%) of the Contribution set forth in ITEM 6 of the Declarations.

F. Notice; Timing, and Interrelationship of Claims:

- (1) As a condition precedent to any right to payment in respect of any **Claim**, the **Member** must give the **Fund** written notice of such **Claim**, with full details, as soon as practicable after it is first made and in no event later than seventy-five (75) days after the expiration date of the **Agreement Period**.
- (2) If, during the **Agreement Period**, the **Member** first becomes aware of any **Wrongful Act** which may subsequently give rise to a **Claim** and, as soon as practicable thereafter but before the expiration or cancellation of this Coverage Document:
 - (a) gives the **Fund** written notice of such **Wrongful Act**, including a description of the **Wrongful Act** in question, the identities of the potential claimants, the consequences which have resulted or may result from such **Wrongful Act**, the damages which may result from such **Wrongful Act** and the circumstances by which the **Member** first became aware of such **Wrongful Act**; and
 - (b) requests coverage under this Coverage Document for any subsequently resulting **Claim** for such **Wrongful Act**;then the **Fund** will treat any such subsequently resulting **Claim** as if it had been first made during the **Agreement Period**.
- (3) All notices under CONDITIONS F(1) and F(2) must be sent in writing to the address set forth in ITEM 5 of the Declarations.
- (4) All **Related Claims** will be treated as a single **Claim** made when the earliest of such **Related Claims** was first made, or when the earliest of such **Related Claims** is treated as having been made in accordance with CONDITION F(2), whichever is earlier.

G. Cancellation:

- (1) The **Fund** may cancel this Coverage Document by mailing or delivering to the **Member** written notice of cancellation at least:
 - (a) 10 days before the effective date of cancellation if the **Fund** cancels for non-payment of contribution; or
 - (b) 60 days before the effective date of cancellation if the **Fund** cancels for any other reason.
- (2) The **Member** shown in the Declarations may cancel this Coverage Document by mailing or delivering to the **Fund** advance written notice of cancellation.
- (3) The **Fund** will mail or deliver the **Fund's** notice to the **Member's** last mailing address know to the **Fund**.
- (4) Notice of cancellation will state the effective date of cancellation. The **Agreement Period** will end on that date.
- (5) If this Coverage Document is cancelled, the **Fund** will send the **Member** any contribution refund due. If the **Fund** cancels, the refund will be pro rata. If the **Member** cancels, the refund may be less than pro rata. The cancellation will be effective even if the **Fund** has not made or offered a refund.
- (6) If notice is mailed, proof of mailing will be sufficient proof of notice.

H. Representations:

The **Member** represents that the particulars and statements contained in the **Application** are true, accurate and complete, and agrees that this Coverage Document is issued in reliance upon the truth of that representation, and that such particulars and statements, which are deemed to be incorporated into and to constitute a part of this Coverage Document, are the basis of this Coverage Document.

I. Separation of Covered Parties; Protection of Innocent Covered Parties:

- (1) In the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the **Application**, this Coverage Document will be void:
 - (a) with respect to any natural person **Covered Party** who knew of such untruth, misrepresentation or omission; and
 - (b) with respect to the **Member**, if, and only if, an elected or appointed official, or the Risk Manager, City Manager, Assistant City Manager, Personnel Director or the highest ranking member of any board, commission or unit, of the **Member**, or any other person in a functionally equivalent position within the **Member**, knew of such untruth, misrepresentation or omission.

- (2) No act, error or omission of any **Covered Party** will be imputed to any other **Covered Party** to determine the application of any Exclusion set forth in Section III of this Coverage Document. If it is determined that an Exclusion applies to a **Covered Party** in connection with a **Claim**, no coverage shall be available under this Coverage Document for such **Covered Party**; however, coverage shall continue in effect under this Coverage Document for any other **Covered Party**, subject to all other terms, conditions, and Exclusions herein.

J. No Action against the Fund:

- (1) No action may be taken against the **Fund** unless, as conditions precedent thereto, there has been full compliance with all of the terms of this Coverage Document and the amount of the **Member's** obligation to pay has been finally determined either by judgment against the **Member** after adjudicatory proceedings, or by written agreement of the **Member**, the claimant and the **Fund**.
- (2) No person or entity will have any right under this Coverage Document to join the **Fund** as a party to any **Claim** to determine the liability of any **Covered Party**; nor may the **Fund** be impleaded by a **Covered Party** or his, her or its legal representative in any such **Claim**.

K. Insolvency of Member:

The **Fund** will not be relieved of any of its obligations under this Coverage Document by the bankruptcy or insolvency of any **Member**.

L. Non-Pyramiding of Limits:

If a **Claim** is made for which coverage is afforded, under this Coverage Document and any other coverage document or documents underwritten by the **Fund**, to the **Member** or to any public entity or political subdivision:

- (1) which shares an operational budget with the **Member**; or
- (2) which receives its funding or budget from the same tax base as the **Member**; or
- (3) operates or has jurisdiction over the **Member** or which is operated by or under the jurisdiction of the **Member**;

then the maximum amount payable in the aggregate under this Coverage Document, and all such other documents, shall not exceed the single highest Limit of Self-Insurance available under all such documents.

M. Territory:

This Coverage Document applies to **Wrongful Acts** committed by any **Covered Party**, or to any **Claim** brought against any **Covered Party**, anywhere in the world.

N. **Authorization and Notices:**

The **Covered Parties agree** that the **Member** will act on their behalf with respect to receiving any notices and return contributions from the **Fund**.

O. **Changes:**

Notice to or knowledge possessed by any agent or other person acting on behalf of the **Fund** will not affect a waiver or change in any part of this Coverage Document or estop the **Fund** from asserting any right under the terms, conditions and limitations of this Coverage Document. The terms, conditions and limitations of this Coverage Document can be waived or changed only by written addendum.

P. **Assignment:**

No assignment of interest under this Coverage Document will bind the **Fund** without its consent.

Q. **Entire Agreement:**

The **Member** agrees that this Coverage Document, including the **Application** and any addenda, constitutes the entire agreement between them and the **Fund** or any of its agents relating to this self-insurance.

R. **Headings:**

The descriptions in the headings and sub-headings of this Coverage Document are solely for convenience, and form no part of the terms and conditions of coverage.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PUBLIC OFFICIALS LIABILITY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

ADDENDUM NO. 802

EXCLUSION OF LOSS DUE TO COMMUNICABLE DISEASE

The following exclusion is added to this coverage document; supersedes any term, provision or addenda to the contrary in this coverage document; and applies notwithstanding such term, provision or addenda:

This self-insurance does not apply to any actual or alleged **loss**, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease**.

For the purposes of this Addendum, **loss**, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease**.

As used herein, a **Communicable Disease** means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
3. the disease, substance or agent can cause or threaten **bodily injury**, illness, emotional distress, damage to human health, human welfare or **property damage**.

TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
LAW ENFORCEMENT LEGAL LIABILITY DECLARATION

Contract Number:
21-F0649

SUBJECT TO ITS TERMS, THIS COVERAGE DOCUMENT PROVIDES COVERAGE FOR CLAIMS ARISING FROM LAW ENFORCEMENT OCCURRENCES THAT TAKE PLACE DURING THE AGREEMENT PERIOD. GENERALLY, DEFENSE EXPENSES ARE PAID IN ADDITION TO THE LIMITS OF SELF-INSURANCE. PLEASE READ AND REVIEW THE COVERAGE DOCUMENT CAREFULLY.

Item 1. Name and Mailing Address of Member:

Sutton County
PO Box 16
Sonora, TX 76950

Item 2. Agreement Period:

- (a) Effective Date: 10/01/2021
(b) Expiration Date: 10/01/2022

At 12:01 AM Standard Time at the Member's Mailing Address Shown Above

Item 3. Limits of Self-Insurance:

- (a) \$1,000,000 Maximum Limit of Self-Insurance, Each Claimant;
(b) \$1,000,000 Maximum Limit of Self-Insurance, Each Law Enforcement Occurrence;
(c) \$1,000,000 Maximum Aggregate Limit of Self-Insurance, all Claims for all covered Law Enforcement Occurrences.
-

Item 4. Deductible:

\$10,000 each and every Claim

Item 5. Notice required to be given to the Fund must be addressed to:

Texas Political Subdivisions
14990 Landmark Blvd., Suite 300
Dallas, Texas 75254

Item 6. Contribution: \$ 7,975

Item 7. Addenda Attached as Issuance:

701

THE DECLARATION, THE COVERAGE DOCUMENT, ANY ADDENDA, THE INTERLOCAL AGREEMENT AND THE APPLICATION CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE FUND AND THE COVERED PARTY RELATING TO THIS SELF-INSURANCE.

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
LAW ENFORCEMENT LEGAL LIABILITY COVERAGE DOCUMENT**

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

In consideration of the payment of contribution and in reliance upon all statements made and information furnished to the **Fund**, including the statements made in the **Application**, the **Fund** and the **Member**, subject to all of the terms, conditions and limitations of this Coverage Document and any addenda thereto, agree as follows:

I. SELF-INSURING AGREEMENT

A. Police Professional Liability

The **Fund** will pay on behalf of any **Covered Party**, subject to the Limits of Self-Insurance set forth in ITEM 3 of the Declarations, **Loss** resulting from **Claims** for **Law Enforcement Occurrences** that take place during the **Agreement Period**.

In addition to the applicable Limits of Self-Insurance set forth in ITEM 3 of the Declarations, the **Fund** will have the right and duty to defend any **Claim** against the **Member** for a **Law Enforcement Occurrence** which is covered by this Coverage Document, even if the allegations of such **Claim** are groundless, false or fraudulent.

II. EXCLUSIONS

A. The **Fund** shall not pay **Loss**, but shall only pay **Defense Expenses**, from any **Claim** brought about or contributed to in fact by:

- (1) any willful misconduct or dishonest, fraudulent, criminal or malicious act, error or omission by any **Covered Party**;
- (2) any willful violation by any **Covered Party** of any law, statute, ordinance, rule or regulation; or
- (3) any **Covered Party** gaining any profit, remuneration or advantage to which such **Covered Party** is not legally entitled.

The applicability of EXCLUSIONS A(1), A(2) and A(3) to any specific **Covered Party** may be determined by an admission of such **Covered Party**, a finding, or a final adjudication in the proceeding constituting the **Claim** or in a proceeding separate from or collateral to the **Claim**. If any specific **Covered Party** in fact engaged in the conduct specified in EXCLUSIONS A(1), A(2) or A(3), such **Covered Party** shall reimburse the **Fund** for any **Defense Expenses** advanced to or paid on behalf of such **Covered Party**.

B. The **Fund** shall not pay any **Loss** or **Defense Expenses** from any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:

- (1) war, whether or not declared, or any act or condition incidental to war, including civil war, insurrection, rebellion or revolution; or **Terrorism**;
- (2) any actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, dispersal, seepage, migration, release, growth, infestation, spread, escape, treatment, removal or disposal of, any **Contaminant-Toxin**, or any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Contaminant-Toxin**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request;

provided, however, that this Exclusion (B)(2) shall not apply to **Claims** arising out of the handling or use of tear gas, mace, pepper spray or any similar substance used by an **Covered Party** in the ordinary course of **Law Enforcement Activities**.

- (3) any obligation of the **Member** under any workers compensation, disability benefits or unemployment compensation law or any similar law;
- (4) actual or alleged **Employment Practices Wrongful Acts**;
- (5) the rendering of, or failure to render, any medical services; provided that any **Covered Party** who, in good faith, renders, or fails to render first aid or emergency medical care or assistance, to any ill or injured person which results in **Personal Injury** or **Bodily Injury** covered under this Coverage Document, will not be subject to this Exclusion (B)(5);
- (6) any liability assumed by any **Covered Party** under any contract or agreement; provided that this Exclusion (B)(6) shall not apply to liability:
 - (a) assumed in an **Insured Contract** provided the **Law Enforcement Occurrence** occurs subsequent to the execution of such **Insured Contract**; or
 - (b) that the **Covered Party** would have had in the absence of the contract or agreement;
- (7) **Personal Injury or Bodily Injury** to:
 - (a) an employee of the **Member** arising out of and in the course of employment by the **Member**;
 - (b) an auxiliary law enforcement officer or volunteer law enforcement officer serving under the direction and control of the **Member**;
 - (c) the spouse, child, parent, brother, sister of that employee, or auxiliary or volunteer law enforcement officer as a consequence of (a) or (b) above;

This Exclusion (B)(7) applies whether the **Member** may be liable as an employer

or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This Exclusion (B)(7) shall not apply to liability assumed by the **Member** under an **Insured Contract**.

- (8) the ownership, maintenance, operation, use, entrustment to others or **Loading or Unloading** of any:
 - (a) **Auto**, watercraft, aircraft, motorcycle or other motorized unit owned or operated by, or rented or loaned to, any **Covered Party**; or
 - (b) **Auto**, watercraft, aircraft, motorcycle or other motorized unit operated by any person in the course of his or her employment for the **Member**;
- (9) **Property Damage** to:
 - (a) property which is owned or rented by, loaned to, or occupied by, any **Covered Party**;
 - (b) **premises** which have been sold, given away, or abandoned by the **Member** if the **Property Damage** arises out of any part of those **premises**; or
 - (c) property in the care, custody and control of any **Covered Party**;provided, however, that this Exclusion (B)(9) shall not apply to property on persons, other than **Covered Parties**, at the time of arrest, custody or incarceration;
- (10) any actual or alleged transmission of, or exposure to, any communicable disease, including, but not limited to, Acquired Immune Deficiency Syndrome, tuberculosis or hepatitis;
- (11) the performance of any law enforcement-related professional services by any **Covered Party**, for anyone other than the **Member**; provided, however, that this Exclusion (B)(11) shall not apply if such professional services constitute **Law Enforcement Activities**.

III. WHO IS A COVERED PARTY

Each of the following is a **Covered Party** under this Coverage Document:

- A. the **Member**
- B. past, present or future, full or part-time employees of the **Member**;
- C. past, present or future, lawfully elected, appointed or employed officials of the **Member**, with respect to liability arising out of **Law Enforcement Activities**;
- D. past, present or future, auxiliary and volunteer law enforcement officers, and reserves, who serve under the direction and control of the **Member**, with respect to liability arising out of **Law Enforcement Activities**; and

- E. the estates, heirs, legal representatives or assignees of deceased persons who were **Covered Parties** at the time of a **Law Enforcement Occurrence** but only to the extent that they would otherwise be provided coverage under this Coverage Document;
- F. the political subdivision and its elected, appointed or employed officials, but only with respect to vicarious liability arising out of **Law Enforcement Activities** of the **Member**.

IV. LIMITS OF SELF-INSURANCE

Regardless of the number of **Covered Parties** under this Coverage Document, persons or organizations who make a **Claim** under this Coverage Document, or **Claims** brought under this Coverage Document, the **Fund's** liability is limited as follows:

A. Each Claimant Limit of Self-Insurance

Subject to the Coverage Document Aggregate Limit of Self-Insurance in paragraph IV.C., the amount set forth in ITEM 3(a) of the Declarations shall be the maximum Limit of Self-Insurance of the **Fund** for all **Loss** resulting from all **Claims** arising out of all **Law Enforcement Occurrences** for which this Coverage Document provides coverage, brought by any one person or entity.

B. Each Law Enforcement Occurrence Limit of Self-Insurance

Subject to the Coverage Document Aggregate Limit of Self-Insurance in paragraph IV.C., the amount set forth in ITEM 3(b) of the Declarations shall be the maximum Limit of Self-Insurance of the **Fund** for all **Loss** resulting from all **Claims** arising out of a single **Law Enforcement Occurrence** for which this Coverage Document provides coverage.

C. Coverage Document Aggregate Limit of Self-Insurance

The amount set forth in ITEM 3(c) of the Declarations shall be the maximum aggregate Limit of Self-Insurance of the **Fund** for all **Loss** resulting from all **Claims** for all **Law Enforcement Occurrences** for which this Coverage Document provides coverage.

D. Other than as provided in paragraph IV.E., **Defense Expenses** shall be paid in addition to the Limits of Self-Insurance, and payment of **Defense Expenses** by the **Fund** shall not reduce such Limits of Self-Insurance.

E. The **Fund** shall not be obligated under the Coverage Document to pay more than the applicable Limit of Self-Insurance set forth in ITEM 3(c) of the Declarations, for all **Defense Expenses** resulting from **Claims** for which the resulting **Loss** is wholly excluded from coverage under Section II. EXCLUSION A of this Coverage Document.

F. The obligation of the **Fund** to pay **Loss** or **Defense Expenses**, or to defend any **Claim**, will only be in excess of the **Deductible** set forth in ITEM 4 of the Declarations. The **Fund** will have no obligation whatsoever, either to the **Covered Parties** or to any other person or entity, to pay all or any portion of any **Deductible** amount on behalf of any **Covered Party**, although the **Fund** will, at its sole discretion, have the right and option to advance such amount, in which event the **Member** agree to repay the **Fund** any amounts so advanced.

G. All **Claims** based on or arising out of the same act or interrelated acts of one or more

Covered Parties, or the same or interrelated **Law Enforcement Occurrences** will be deemed to arise out of a single **Law Enforcement Occurrence**, which **Law Enforcement Occurrence** shall be deemed to take place at the time of the first event resulting in **Personal Injury, Bodily Injury** or **Property Damage**; and only one “Each Law Enforcement Occurrence” Limit of Self-Insurance, and only one **Deductible**, will be applicable to all such **Claims**.

All **Claims** based on or arising out of (1) a riot, (2) a civil disturbance resulting in an official proclamation of a state of emergency, (3) a temporary curfew, or (4) martial law, will be deemed to arise out of a single **Law Enforcement Occurrence**.

V. CONDITIONS

A. Defense and Settlement of Claims:

- (1) No **Covered Party** may incur any **Defense Expenses** or admit liability for, or settle, or offer to settle, any **Claim** without the **Fund’s** written consent.
- (2) The **Fund** will have the right to make investigations and conduct negotiations and to enter into the settlement of any **Claim** as the **Fund** deems appropriate, with the consent of the **Member**. If the **Covered Party** refuses to consent to a settlement acceptable to the claimant in accordance with the **Fund’s** recommendation, then, subject to the applicable Limit of Self-Insurance set forth in ITEM 3 of the Declarations, the **Fund’s** liability for such **Claim** will not exceed:
 - (a) the amount for which such **Claim** could have been settled by the **Fund** plus **Defense Expenses** up to the date the **Member** refused to settle such **Claim**; plus
 - (b) fifty percent (50%) of any **Loss** and/or **Defense Expenses** in excess of the amount in clause (a) above, incurred in connection with such **Claim**. The remaining **Loss** and/or **Defense Expenses** will be carried by the **Member** at its own risk and will be uninsured.
- (3) The **Fund** will have no obligation to pay **Loss** or **Defense Expenses** or to defend or continue to defend any **Claim**, after the applicable Limit of Self-Insurance, as set forth in ITEM 3 of the Declarations, has been exhausted by the payment of **Loss**. If the **Fund’s** maximum aggregate Limit of Self-Insurance, as set forth ITEM 3(c) of the Declarations, is exhausted by the payment of **Loss**, the entire contribution will be deemed fully earned.

B. Other Insurance:

- (1) All **Loss** and **Defense Expenses** payable under this Coverage Document will be specifically excess of and will not contribute with other valid insurance (whether collectible or not), including but not limited to any other insurance under which there is a duty to defend, unless such other insurance is specifically stated to be in excess of this Coverage Document. This Coverage Document will not be subject to the terms of any other insurance. Other insurance includes, but is not limited to, coverage or benefits provided by self-insurance arrangements, pools, self-

insurance trusts, captive insurance companies, retention groups, reciprocal exchanges or any other plan or agreement of risk transfer or assumption.

- (2) Notwithstanding CONDITION B(1) above, with respect to any **Claim** under this Coverage Document for which coverage is available under any insurance policy which applies to claims for **bodily injury** and/or **property damage**, the **Fund** will have no duty to defend such **Claim**, or to pay **Defense Expenses** incurred by or on behalf of any **Covered Party** in connection with such **Claim** or to contribute to any defense provided to any **Covered Party** under such other insurance policy, or to reimburse any other insurer, in whole or in part, for **Defense Expenses** incurred in connection with such **Claim**.

C. Cooperation; Subrogation:

In the event of a **Claim**, the **Member** will provide the **Fund** with all information, assistance and cooperation that the **Fund** reasonably requests, and will do nothing that may prejudice the **Fund's** position or potential or actual rights of recovery. At the **Fund's** request, the **Member** will assist in any actions, suits, or proceedings, including but not limited to attending hearings, trials and depositions, securing and giving evidence, and obtaining the attendance of witnesses, and will also assist in making settlements. In the event of payment, the **Fund** will be subrogated to the extent of any payment to all of the rights of recovery of the **Member**. The **Member** will execute all papers and do everything necessary to secure such rights, including the execution of any documents necessary to enable the **Fund** effectively to bring suit in their name. The obligations of the **Member** under this CONDITION C will survive the expiration or cancellation of the Coverage Document.

D. Reporting of Claims and Law Enforcement Occurrences:

- (1) The **Member** must promptly give the **Fund** written notice of any **Law Enforcement Occurrence** which may subsequently give rise to a **Claim**, including a description of the **Law Enforcement Occurrence** in question, the identities of the potential claimants, the consequences which have resulted or may result from such **Law Enforcement Occurrence**, the damages which may result from such **Law Enforcement Occurrence** and the circumstances by which the **Member** first became aware of such **Law Enforcement Occurrence**.
- (2) As a condition precedent to any right to payment in respect of any **Claim**, the **Member** must give the **Fund** written notice of such **Claim**, with full details, as soon as practicable after it is made.
- (3) All notices under CONDITIONS D(1) and D(2) must be sent in writing to the address set forth in ITEM 5 of the Declarations.

E. Cancellation:

- (1) The **Fund** may cancel this Coverage Document by mailing or delivering to the **Member** written notice of cancellation at least:
 - (a) 10 days before the effective date of cancellation if the **Fund** cancels for non-payment of contribution; or
 - (b) 60 days before the effective date of cancellation if the **Fund** cancels for any

other reason.

- (2) The **Member** shown in the Declarations may cancel this Coverage Document by mailing or delivering to the **Fund** advance written notice of cancellation.
- (3) The **Fund** will mail or deliver the **Fund's** notice to the **Member's** last mailing address know to the **Fund**.
- (4) Notice of cancellation will state the effective date of cancellation. The **Agreement Period** will end on that date.
- (5) If this Coverage Document is cancelled, the **Fund** will send the **Member** any contribution refund due. If the **Fund** cancels, the refund will be pro rata. If the **Member** cancels, the refund may be less than pro rata. The cancellation will be effective even if the **Fund** has not made or offered a refund.
- (6) If notice is mailed, proof of mailing will be sufficient proof of notice.

F. **Representations:**

The **Member** represents that the particulars and statements contained in the **Application** are true, accurate and complete, and agrees that this Coverage Document is issued in reliance upon the truth of that representation, and that such particulars and statements, which are deemed to be incorporated into and to constitute a part of this Coverage Document, are the basis of this Coverage Document.

G. **Separation of Covered Parties; Protection for Innocent Covered Parties:**

- (1) In the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the **Application**, this Coverage Document will be void:
 - (a) with respect to any natural person **Covered Party** who knew of such untruth, misrepresentation or omission; and
 - (b) with respect to the **Member**, if, and only if, the Chief of Police, Deputy Chief of Police, Purchasing Director, City Manager, Assistant City Manager, Sheriff, Personnel Director, or Risk Manager of the **Member**, or any other person in a functionally equivalent position with the **Member**, knew of such untruth, misrepresentation or omission.
- (2) No act, error or omission of any **Covered Party** will be imputed to any other **Covered Party** to determine the application of any Exclusion set forth in Section II of this Coverage Document. If it is determined that an Exclusion applies to a **Covered Party** in connection with a **Claim**, no coverage shall be available under this Coverage Document for such **Covered Party**, however, coverage shall continue in effect under this Coverage Document for any other **Covered Party**, subject to all other terms, conditions, and Exclusions herein.

H. No Action against the Fund:

- (1) No action may be taken against the **Fund** unless, as conditions precedent thereto, there has been full compliance with all of the terms of this Coverage Document and the amount of the **Member's** obligation to pay has been finally determined either by judgment against the **Member** after adjudicatory proceedings, or by written agreement of the **Member**, the claimant and the **Fund**.
- (2) No person or entity will have any right under this Coverage Document to join the **Fund** as a party to any **Claim** to determine the liability of any **Covered Party**; nor may the **Fund** be impleaded by a **Covered Party** or his, her or its legal representative in any such **Claim**.

I. Inspection and Surveys:

- (1) The **Fund** has the right, but is not obligated to:
 - (a) make inspections and surveys at any time;
 - (b) give reports on the conditions the **Fund** finds; and
 - (c) recommend changes to the **Member**.
- (2) Any inspections, surveys, reports or recommendations relate only to insurability and the contributions to be charged. Such inspections are not safety inspections. The **Fund** does not undertake any duty to provide for the health or safety of any person and we do not represent or warrant that conditions are safe or healthful, or comply with any laws, regulations, codes or standards.
- (3) This Condition I applies not only to the **Fund**, but to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations on the **Fund's** behalf.

J. Insolvency of Member:

The **Fund** will not be relieved of any of its obligations under this Coverage Document by the bankruptcy or insolvency of any **Member**.

K. Non-Pyramiding of Limits:

If a **Claim** is made for which coverage is afforded, under this Coverage Document and any other coverage document or coverage documents underwritten by the **Fund** to the **Member**, or to any public entity or political subdivision:

- (1) which shares an operational budget with the **Member**; or
 - (2) which receives its funding or budget from the same tax base as the **Member**;
- or

- (3) operates or has jurisdiction over the **Member** or which is operated by or under the jurisdiction of the **Member**;

then the maximum amount payable in the aggregate under this Coverage Document, and all such other coverage documents, shall not exceed the single highest Limit of Self-Insurance available under all such coverage documents.

L. **Territory:**

This Coverage Document applies to **Law Enforcement Occurrences** committed by any **Covered Party**, or to any **Claim** brought against any **Covered Party**, anywhere in the world.

M. **Authorization and Notices:**

The **Covered Parties** agree that the **Member** will act on their behalf with respect to receiving any notices and return contributions from the **Fund**.

N. **Changes:**

Notice to or knowledge possessed by any agent or other person acting on behalf of the **Fund** will not affect a waiver or change in any part of this Coverage Document or estop the **Fund** from asserting any right under the terms, conditions and limitations of this Coverage Document. The terms, conditions and limitations of this Coverage Document can be waived or changed only by written addendum.

O. **Assignment:**

No assignment of interest under this Coverage Document will bind the **Fund** without its consent.

P. **Entire Agreement:**

The **Member** agrees that this Coverage Document, including the **Application** and any addenda, constitutes the entire agreement between them and the **Fund** or any of its agents relating to this self-insurance.

Q. **Headings:**

The descriptions in the headings and sub-headings of this Coverage Document are solely for convenience, and form no part of the terms and conditions of coverage.

VI. DEFINITIONS

A. **Agreement Period** means the period from the Effective Date of this Coverage Document set forth, in ITEM 2(a) of the Declarations, to the Expiration Date of this Coverage Document set forth in ITEM 2(b) of the Declarations, or to any earlier cancellation date of this Coverage Document.

B. **Application** means the application submitted to the **Fund**, any and all materials and information submitted to the **Fund** in connection with such application, and all publicly available material that is created by the **Member** about the **Member** that

the **Fund** obtained prior to the Effective Date of the Coverage Document, all of which are deemed to be on file with the **Fund** and are deemed to be attached to, and form a part of, this Coverage Document, as if physically attached.

- C. **Auto** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
- D. **Bodily Injury** means the following, when alleged against a **Covered Party** by an entity or a person who is not a **Covered Party**: bodily injury, mental anguish, emotional distress, sickness or disease sustained by a person, including death resulting from any of these at any time.
- E. **Claim** means:
 - (1) any written demand for monetary relief;
 - (2) any written request to toll or waive any statute of limitations;
 - (3) any civil proceeding in a court of law or equity, including any appeal therefrom, which is commenced by the filing of a complaint, motion for judgment, or similar proceeding;
 - (4) any criminal proceeding which is commenced by the return of an indictment or similar document;
 - (5) any arbitration proceeding, or any other alternative dispute resolution proceeding, in which monetary damages are claimed and to which the **Member** must submit or does submit with the **Fund's** consent.
- F. **Contaminant-Toxin** means any of the following:
 - (1) smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials (including medical or pharmaceutical supplies and materials which are intended to be or have been recycled, reconditioned or reclaimed) or other irritants, pollutants or contaminants;
 - (2) mold(s), mildew(s), fungi and/or spore(s); or any materials, goods or products containing, harboring or nurturing any such mold(s), mildew(s), fungi and/or spore(s);
 - (3) lead, silica or asbestos, whether or not airborne as a particle, contained in or formed as part of a product, structure or other real or personal property, ingested or inhaled or transmitted in any fashion, or found in any form whatsoever; or
 - (4) nuclear reaction, radioactive contamination or any radiation of any kind, including but not limited to nuclear radiation and electromagnetic radiation;

provided that **Contaminant-Toxin** shall not include heat, smoke or fumes resulting from a **Hostile Fire** at or from the **Premises**.

- G. **Covered Party** shall have the meaning described in Section III of this Coverage

Document, WHO IS A COVERED PARTY.

- H. **Deductible** means the amount shown in Item 4 of the Declarations that the **Member** must contribute to **Loss** and **Defense Expenses**.
- I. **Defense Expenses** means reasonable legal fees and expenses incurred by or on behalf of the **Member** in the defense or appeal of a **Claim**, including, but not limited to costs of investigation, experts, adjustment services, legal services, court costs and other similar expenses incurred by the **Fund**. **Defense Expenses** will include the cost of any bond or appeal bond required in any civil suit, but only for bond amounts within the applicable Limit of Self-Insurance shown in Item 3 of the Declarations; provided that, the **Fund** will not be obligated to apply for or furnish any such bond. **Defense Expenses** will not include the salaries of the **Fund's** employees.
- J. **Employment Practices Wrongful Act** means any of the following:
- (1) wrongful dismissal, discharge or termination of employment, whether actual or constructive;
 - (2) harassment (including sexual harassment whether "quid pro quo", hostile work environment or otherwise);
 - (3) discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy or disability or any basis prohibited by federal, state or local laws;
 - (4) breach of any manual of employment policies or procedures;
 - (5) retaliatory action in response to an employee's:
 - (a) disclosure or threat of disclosure of any act alleged to be a violation of any federal, state, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder;
 - (b) actual or attempted exercise of any right that employee has under law; or
 - (c) filing of any claim under the Federal False Claims Act or any other federal, state, local or foreign "whistle-blower" law;
 - (6) misrepresentation, libel, slander, humiliation, defamation, invasion of privacy, infliction of emotional distress or mental anguish; or
 - (7) wrongful failure to employ or promote, wrongful deprivation of career opportunity, including tenure, wrongful demotion or evaluation or wrongful discipline.
- K. **Fund** means the Texas Political Subdivisions Joint Self-Insurance Fund identified in the Declarations.
- L. **Hostile Fire** means one which becomes uncontrollable or breaks out from where it was intended to be.
- M. **Insured Contract** means:

- (1) a written agreement to rent or lease the **Premises** of the **Member**; or
- (2) a written mutual law enforcement assistance agreement or contract between the **Member** and another government entity or political subdivision, under which the **Member** assumes the tort liability of another government entity or political subdivision to pay for **Personal Injury, Bodily Injury or Property Damage** to a third party who is not a **Covered Party**. "Tort liability," as used herein, means liability that would be imposed by law in the absence of any contract or agreement.

An **Insured Contract** shall not include any contract or agreement that indemnifies any person or organization for damage by fire to premises rented or loaned to the **Member**.

N. **Law Enforcement Activities** means:

- (1) law enforcement-related duties conducted by any **Covered Party** for or on behalf of the **Member**;
- (2) **Off-Duty Activities**; or
- (3) law enforcement assistance rendered by any **Covered Party** pursuant to an **Insured Contract**.

O. **Law Enforcement Occurrence** means an event, including continuous or repeated exposure to substantially the same general harmful conditions, which takes place during the **Agreement Period** and results in:

- (1) **Personal Injury**, and which arises out of, and is committed during the course and scope of, **Law Enforcement Activities**;
- (2) **Bodily Injury or Property Damage**, and which arises out of the ownership, maintenance or use of **Premises** by the **Member** for the purpose of conducting **Law Enforcement Activities**; or
- (3) **Bodily Injury or Property Damage**, and which results from any actual or alleged act, error or omission, neglect or breach of duty by a **Covered Party** that arises out of, and is committed during the course and scope of **Law Enforcement Activities**.

P. **Loading or Unloading** means the handling of property:

- (I) after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **Auto**;
- (2) while it is in or on any aircraft, watercraft or **Auto**; or
- (3) while it is being moved from an aircraft, watercraft or **Auto** to the place where it is finally delivered;

provided, however that **Loading or Unloading** shall not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or **Auto**.

- Q. **Loss** means any monetary amount that a **Covered Party** is legally obligated to pay as a result of a **Law Enforcement Occurrence** covered by this Coverage Document, including but not limited to judgments and settlements, pre-judgment interest and post-judgment interest. **Loss** will not include:
- (1) Defense Expenses;
 - (2) fines, taxes, penalties;
 - (3) punitive, exemplary or multiplied damages, or other amounts which may be deemed uninsurable under the law pursuant to which this Coverage Document is construed; or
 - (4) relief or redress in any form other than monetary damages, including the costs of complying with any injunctive, declaratory or equitable relief, remedy or order.
- R. **Member** means the entity set forth in ITEM 1 of the Declarations.
- S. **Off-Duty Activities** are departmentally-approved law enforcement-related off-duty activities or services performed by a **Covered Party**, or departmentally approved employment of a **Covered Party**, for an entity other than the **Member**, as disclosed on the **Application** for this Coverage Document.
- T. **Personal Injury** means the following, when alleged against a **Covered Party** by an entity or a person who is not a past or present **Covered Party**:
- (1) assault and battery;
 - (2) discrimination, where insurable by law;
 - (3) false arrest, detention or imprisonment;
 - (4) malicious prosecution;
 - (5) erroneous, false or improper service of process;
 - (6) humiliation or mental distress;
 - (7) the publication or utterance of a libel, slander or other defamatory or disparaging material, or a publication or utterance in violation of an individual's right to privacy, except publications or utterances in the course of telecasting activities by or on behalf of the **Member**;
 - (8) violation of civil rights protected under 42 USC 1981 et seq. or under any similar state civil rights law;
 - (9) violation of property rights;
 - (10) wrongful entry, eviction, or other invasion or denial of the right to public or private occupancy.

U. **Premises** means:

- (1) the location designated in ITEM 1 of the Declarations, including the ways and means adjoining such premises on land;
- (2) any jail, holding cell, detention or lock-up facility, owned or leased by, and operated by, the **Member** at the location designated in ITEM 1 of the Declarations; and
- (3) any other location specifically scheduled in an addendum to this Coverage Document.

V. **Property Damage** means:

- (1) physical injury to or destruction of tangible property, including loss of use thereof at any time resulting therefrom; or
- (2) loss of use of tangible property which has not been physically injured or destroyed.

W. **Terrorism** means activities against persons, organizations or property of any nature:

- (1) that involve the following or preparation for the following:
 - (a) use or threat of force or violence; or
 - (b) commission or threat of a dangerous act; or
 - (c) commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- (2) when one or both of the following applies:
 - (a) the effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (b) it appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
LAW ENFORCEMENT LEGAL LIABILITY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

ADDENDUM NO. 701

EXCLUSION OF LOSS DUE TO COMMUNICABLE DISEASE

The following exclusion is added to this coverage document; supersedes any term, provision or addenda to the contrary in this coverage document; and applies notwithstanding such term, provision or addenda:

This self-insurance does not apply to any actual or alleged **loss**, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease**.

For the purposes of this Addendum, **loss**, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease**.

As used herein, a **Communicable Disease** means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
3. the disease, substance or agent can cause or threaten **bodily injury**, illness, emotional distress, damage to human health, human welfare or **property damage**.

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE DECLARATION
PART 1**

ITEM ONE

Name of Member: **Sutton County**

Interlocal Agreement Number: **21-F0649**

Agreement Period: From: **October 01, 2021**

To: **October 01, 2022**

at 12:01 A.M. Standard Time
at the Member's Mailing Address

<p>ITEM TWO - SCHEDULE OF COVERAGES AND COVERED AUTOS</p>	<p>This Coverage document provides only those coverages where a limit is shown below. Each of these coverages will apply only to those autos shown as covered autos. Autos are shown as covered autos for a particular coverage by the entry of one or more of the symbols from the COVERED AUTOS Section of the Texas Political Subdivisions Joint Self Insurance Fund Automobile Liability and Physical Damage Coverage Document.</p>
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COVERAGES	COVERED AUTOS <small>(Entry of one or more of the symbols from the COVERED AUTOS Section of the Texas Political Subdivisions Joint Self-Insurance Fund Automobile Liability and Physical Damage Coverage Document shows which autos are covered autos.)</small>	LIMIT THE MOST THE FUND WILL PAY FOR ANY ONE ACCIDENT OR LOSS
<p>LIABILITY</p> <p>Bodily Injury</p> <p>Property Damage</p> <p>Combined Liability</p> <p>Deductible</p>	1	<p>\$500,000 Each Accident</p> <p>\$2,500 Each Accident</p>
PERSONAL INJURY PROTECTION		
AUTO MEDICAL PAYMENTS		
<p>UNINSURED/UNDERINSURED MOTORISTS</p> <p>Bodily Injury</p> <p>Property Damage</p> <p>Combined Liability</p>	See Addendum	<p>\$85,000 Each Accident</p>
<p>PHYSICAL DAMAGE</p> <p>Comprehensive Coverage</p>	8, 10, 11, 12	<p>Stated Amount, Actual Cash Value or Cost of Repair, whichever is less, minus \$2,500 Ded. for each covered auto, but no deductible applies to loss caused by fire or lightning.</p>
<p>PHYSICAL DAMAGE</p> <p>Specified Causes of Loss Coverage</p>		<p>Stated Amount, Actual Cash Value or Cost of Repair, whichever is less, minus Ded. for each covered auto for loss caused by mischief or vandalism.</p>
<p>PHYSICAL DAMAGE</p> <p>Collision Coverage</p>	8, 10, 11, 12	<p>Stated Amount, Actual Cash Value or Cost of Repair, whichever is less, minus \$2,500 Ded. for each covered auto.</p>
<p>PHYSICAL DAMAGE</p> <p>Towing and Labor</p>		<p>for each disablement of a private passenger auto.</p>

ITEM THREE - SCHEDULE OF COVERED AUTOS THE MEMBER OWNS		
Covered Auto No.	<p style="text-align: center;">DESCRIPTION</p> <p style="text-align: center;"><small>Year; Model; Trade Name; Body Type; Serial Number (S); Vehicle Identification Number (VIN)</small></p>	<p><small>Except for Towing all physical damage loss is payable to the Member and the loss payee named below as interest may appear at the time of the loss.</small></p>
	SEE SCHEDULE	

ADDENDA TO THE COVERAGE DOCUMENT
207, 215, 216a, 220, 222, 223, 236

AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE DECLARATION (CONTINUED) PART 2

Name of Member: **Sutton County**

Interlocal Agreement Number: **21-F0649**

ITEM THREE - (Cont'd)

COVERAGE-LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry to any column below means that the limit or deductible entry in the corresponding ITEM TWO column of the Declarations applies instead)						
Cov Auto No.	LIABILITY	AUTO. MED PAY	COMPREHENSIVE	SPEC. CAUSES OF LOSS	COLLISION	TOWING & LABOR
	Limit (in Thousands)	Limit (in Thousands)	Limit* minus deductible shown below	Limit*	Limit* minus deductible shown below	Limit* per Disablement
	SEE SCHEDULE					

*Limit stated in ITEM TWO.

ITEM FOUR-SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE LIABILITY COVERAGE-RATING BASIS, COST OF HIRE

STATE	ESTIMATED COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	CONTRIBUTION
TX	If any		See Schedule

Cost of hire means the total amount the Member incurs for the hire of autos the Member doesn't own (not including autos the Member borrows or rents for the Member's employees or persons in their family). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

PHYSICAL DAMAGE COVERAGE

Coverages	LIMIT OF SELF-INSURANCE THE MOST THE FUND WILL PAY, DEDUCTIBLE
COMPREHENSIVE	ACTUAL CASH VALUE, COST OF REPAIRS OR \$35,000 , WHICHEVER IS LESS, MINUS \$2,500 DEDUCTIBLE FOR EACH COVERED AUTO , BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE, COST OF REPAIRS OR \$, WHICHEVER IS LESS, MINUS \$25 DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM FOR EACH COVERED AUTO .
COLLISION	ACTUAL CASH VALUE, COST OF REPAIRS OR \$35,000 , WHICHEVER IS LESS, MINUS \$2,500 DEDUCTIBLE FOR EACH COVERED AUTO .

PHYSICAL DAMAGE COVERAGE for covered **autos** the **Member** hires or borrows is excess unless indicated below by "x".
If this box is checked, PHYSICAL DAMAGE COVERAGE applies on a direct primary basis and for purposes of the condition entitled OTHER INSURANCE, any covered **auto** the **Member** hires or borrows is deemed to be a covered **auto** the **Member** owns.

ITEM FIVE-SCHEDULE FOR NON-OWNERSHIP LIABILITY

THE MEMBER'S BUSINESS	RATING BASIS	NUMBER	CONTRIBUTION
OTHER THAN A SOCIAL SERVICE AGENCY	Number of Employees	0-25	See Schedule
	Number of Partners		
SOCIAL SERVICE AGENCY	Number of Employees		
	Number of Partners		

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE
COVERAGE DOCUMENT**

SECTION I. - COVERED AUTOS

ITEM TWO of the Declarations shows the **Autos** that are covered **Autos** for each of the **Member's** coverages. The following numerical symbols describe the **Autos** that may be covered **Autos**. The symbols entered next to a coverage on the Declarations designate the only **Autos** that are covered **Autos**.

A. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS

SYMBOL	DESCRIPTION
1 =	ANY AUTO
2 =	OWNED AUTOS ONLY. Only those Autos the Member owns (and for Liability Coverage any Trailers the Member does not own while attached to power units the Member owns). This includes those autos the Member acquires ownership of after the Agreement Period begins.
3 =	OWNED PRIVATE PASSENGER AUTOS ONLY. Only the private passenger Autos the Member owns. This includes those private passenger Autos the Member acquires ownership of after the Agreement Period begins.
4 =	OWNED AUTOS OTHER THAN PRIVATE PASSENGER AUTOS ONLY. Only those Autos the Member owns that are not of the private passenger type (and for Liability Coverage any Trailers the Member does not own while attached to power units the Member owns). This includes those Autos not of the private passenger type the Member acquires ownership of after the Agreement Period begins.
5 =	OWNED AUTOS SUBJECT TO NO-FAULT. Only those Autos the Member owns that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those Autos the Member acquires ownership of after the Agreement Period begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6 =	OWNED AUTOS SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those Autos the Member owns that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those Autos the Member acquires ownership of after the Agreement Period begins provided they are subject to the same state uninsured motorists requirement.
7 =	SPECIFICALLY DESCRIBED AUTOS. Only those Autos described in ITEM THREE of the Declarations (and for Liability coverage any Trailers the Member does not own while attached to any power unit described in ITEM THREE).

- 8 = HIRED AUTOS ONLY. Only those Autos the Member leases, hires, rents or borrows. This does not include any Auto the Member leases, hires, rents or borrows from any of the Member's employees or persons of their households.
- 9 = NONOWNED AUTOS ONLY. Only those Autos the Member does not own, lease, hire, rent or borrow that are used in connection with the Member's business. This includes Autos owned by the Member's employees or persons of their households but only while used in the Member's business.

B. OWNED AUTOS THE MEMBER ACQUIRES AFTER THE COVERAGE BEGINS

- 1. If symbols 1, 2, 3, 4, 5, 6, or 10 are entered next to a coverage in ITEM TWO of the Declarations, then the Member has coverage for Autos that the Member acquires of the type described for the remainder of the Agreement Period. However, the most the Fund will pay for Loss to a newly acquired Auto is \$100,000. The Member must notify the Fund or the Fund's authorized representative within 30 days from the time the newly acquired Auto is acquired if coverage for Loss to such Autos is desired in excess of the \$100,000 limitation.
- 2. But, if symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an Auto the Member acquires will be a covered Auto for that coverage only if:
 - a. The Fund already covers all Autos that the Member owns for that coverage or it replaces an Auto the Member previously owned that had that coverage; and
 - b. The Member tells the Fund's authorized representative within 30 days after the Member acquires it that the Member wants the Fund to cover it for that coverage.

C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

If Liability Coverage is provided by this Coverage Document, the following types of vehicles are also covered Autos for Liability Coverage without specific description.

- 1. Trailers with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
- 2. Trailers designed for use with and being pulled by a private passenger Auto, pickup, panel truck or van if not customarily used for business purposes with another type Auto.
- 3. Mobile Equipment while being carried or towed by a covered Auto.
- 4. Any Auto the Member does not own while used with the permission of its owner as a temporary substitute for a covered Auto the Member owns that is out of service because of its:
 - a. Breakdown;
 - b. Repair;

- c. Servicing;
- d. **Loss**; or
- e. Destruction.

SECTION II. - LIABILITY COVERAGE

A. COVERAGE

The **Fund** will pay all sums the **Covered Party** legally must pay as damages because of **Bodily Injury** or **Property Damage** to which this self-insurance applies, caused by an **Accident** and resulting from the ownership, maintenance or use of a covered **Auto**.

The **Fund** has the right and duty to defend any **Suit** asking for these damages. However, the **Fund** has no duty to defend **Suits** for **Bodily Injury** or **Property Damage** not covered by this self-insurance. The **Fund** may investigate and settle any claim or **Suit** as the **Fund** or its authorized representative considers appropriate. The **Fund's** duty to defend or settle ends when the applicable Limit of Self-Insurance has been exhausted by payment of judgments or settlements.

1. COVERED PARTIES

The following are **Covered Parties**:

- a. The **Member** for any covered **Auto**;
- b. Any officer, director, elected or appointed official, any member of a board, commission or agency of the **Member** and any employee of the **Member**, when such persons are acting within the scope of their duties or employment as such (subject to paragraph d. (1), (2) and (3));
- c. Any volunteer while acting within the scope of duties assigned by the **Member** and while under the general supervision of an officer, director, elected or appointed official, member of a board, commission or agency of the **Member**, or an employee of the **Member** (subject to paragraph d. (1), (2) and (3));
- d. Anyone else while using with the **Member's** permission a covered **Auto** the **Member** owns, hires or borrows except:
 - (1) The owner of a covered **Auto** a **Covered Party** hires or borrows from one of the **Member's** employees or a member of his or her household;
 - (2) Someone using a covered **Auto** while he or she is working in a business of the selling, servicing, repairing or parking **Autos** unless that business is the **Member's**;
 - (3) Anyone other than the **Member's** employees, a lessee or borrower or any of their employees, while moving property to or from a covered **Auto**.
- e. Anyone liable for the conduct of a **Covered Party** described above but only to the extent of that liability. However, the owner or anyone else from whom the

Covered Party hires or borrows a **Covered Auto** is a **Covered Party** only if that **Auto** is a **Trailer** connected to a covered **Auto** the **Member** owns.

2. COVERAGE EXTENSIONS

a. Supplementary Payments. In addition to the Limit of Self-Insurance, the **Fund** will pay for the **Covered Party**:

- (1) All expenses the **Fund** incurs.
- (2) Up to \$250 for cost of bail bonds (including bonds for related traffic law violations) required because of an **Accident** the **Fund** covers. The **Fund** does not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any **Suit** the **Fund** defends, but only for bond amounts within the Limit of Self-Insurance.
- (4) All reasonable expenses incurred by the **Covered Party** requested by the **Fund's** authorized representative, including actual loss of earnings up to \$100 a day because of time off from work.
- (5) All costs taxed against the **Covered Party** in any **Suit** the **Fund** defends.
- (6) All interest on the full amount of any judgement that accrues after entry of the judgment in any **Suit** the **Fund** defends; but the **Fund's** duty to pay interest ends when the **Fund** has paid, offered to pay or deposited in court the part of the judgment that is within the Limit of Self-Insurance.

b. Out of State Coverage Extensions

While a covered **Auto** is away from the state where it is licensed the **Fund** will:

- (1) Meet the limit or limits specified by a compulsory or financial responsibility law in the jurisdiction where the covered **Auto** is being used.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out of state vehicles by the jurisdiction where the covered **Auto** is being used.

The **Fund** will not pay anyone more than once for the same elements of loss because of these extensions.

B. EXCLUSIONS

This self-insurance does not apply to any of the following:

1. EXPECTED OR INTENDED INJURY

Bodily Injury or **Property Damage** expected or intended from the standpoint of the **Covered Party**.

2. CONTRACTUAL

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract"; or
- b. That the **Covered Party** would have in the absence of the contract or agreement.

3. WORKERS' COMPENSATION

Any obligation of the **Covered Party** under any workers' compensation, disability benefits or unemployment compensation law or similar law, nor any damages or claims by volunteers to the extent the **Covered Party** could have provided coverage to the volunteer under the above laws but did not.

4. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

Bodily Injury to:

- a. An employee of the **Member** arising out of and in the course of employment by the **Member**; or
- b. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph a. above.

This exclusion applies:

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

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

5. FELLOW EMPLOYEE

Bodily Injury to any fellow employee of the **Member** arising out of and in the course of the fellow employee's employment.

6. CARE, CUSTODY OR CONTROL

Property Damage to property owned or transported by the **Covered Party** or in the **Covered Party's** care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. HANDLING OF PROPERTY

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

- a. Before it is moved from the place where it is accepted by the **Covered Party** for movement into or onto the covered **Auto**; or
- b. After it is moved from the covered **Auto** to the place where it is finally delivered by the **Covered Party**.

8. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

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

9. OPERATIONS

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

10. COMPLETED OPERATIONS

Bodily Injury or **Property Damage** arising out of the **Member's** work after that work has been completed or abandoned.

In this exclusion **Member's** work means:

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

Member's work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

Member's work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in the **Member's** contract has been completed.
- (2) When all of the work to be done at the site has been completed if the **Member's** contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

11. POLLUTION

- a. **Bodily Injury** or **Property Damage** arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:

- (1) That are, or that are contained in any property that is:
 - (a) Being transported or towed by, or handled for movement into, onto or from the covered **Auto**;
 - (b) Otherwise in the course of transit; or
 - (c) Being stored, disposed of, treated or processed in or upon the covered **Auto**;
- (2) Before the pollutants or any property in which the pollutants are contained are moved from the place where they are accepted by the **Covered Party** 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 **Covered Party**.

Paragraph a.(1)(c) does not apply to fuels, lubricants, fluids, exhaust gases or other similar pollutants that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered **Auto** or its parts, if:

- (1) The pollutants escape or are discharged, dispersed or released directly from an **Auto** part designed by its manufacturer to hold, store, receive or dispose of such pollutants; and
- (2) The **Bodily Injury** or **Property Damage** does not arise out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of **Mobile Equipment**.

Paragraphs a.(2) and a.(3) of this exclusion do not apply 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, release or escape of the pollutants is caused directly by such upset, overturn or damage.

- b. Any loss, cost or expense arising out of any governmental direction or request that the **Covered Party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

12. WAR

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

13. NUCLEAR ENERGY

Bodily Injury or Property Damage:

- a. (1) With respect to which a **Covered Party** is also insured under a nuclear energy liability policy issued by Nuclear Energy Liability Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the **Hazardous Properties of Nuclear Material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **Covered Party** is, or had this self-insurance had not been entered into would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
- (3) Resulting from the Hazardous Properties of **Nuclear Material**, if:
- (a) The **Nuclear Material** (a) is at any **Nuclear Facility** owned by, or operated by or on behalf of, a **Covered Party** or (b) has been discharged or dispersed therefrom;
- (b) The **Nuclear Material** is contained in **Spent Fuel** or **Waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a **Covered Party**; or
- (c) The **Bodily Injury** or **Property Damage** arises out of the furnishing by a **Covered Party** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **Nuclear Facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to **Property Damage** to such **Nuclear Facility** and any property thereat.
- b. In addition to words and phrases that are defined in SECTION V - DEFINITIONS, other words and phrases appearing in quotation marks in this exclusion have special meaning. They are defined below.

Hazardous Properties include radioactive, toxic or explosive properties.

Nuclear Material means **Source Material**, **Special Nuclear Material** or **By-Product Material**.

Source Material, **Special Nuclear Material**, and **By-Product Material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

Spent Fuel means any fuel-element or fuel component, solid or liquid, which has been used or exposed to radiation in a **Nuclear Reactor**.

Waste means any waste material (a) containing **By-Product Material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **Source Material** content, and (b) resulting from the operation by any person or organization of any **Nuclear Facility** included under the first two paragraphs of the definition of **Nuclear Facility**.

Nuclear Facility means:

- (1) Any **Nuclear Reactor**;
- (2) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **Spent Fuel**, or (3) handling, processing or packaging **Waste**;
- (3) Any equipment or device used for the processing, fabricating or alloying of **Special Nuclear Material** if at any time the total amount of such material in the custody of the **Covered Party** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **Waste**;

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

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

Property Damage includes all forms of radioactive contamination of property.

C. LIMIT OF SELF-INSURANCE

Regardless of the number of covered **Autos**, **Covered Parties**, contributions, claims made or vehicles involved in an **Accident**, the most the **Fund** will pay for all damages resulting from any one **Accident** is the Limit of Self-Insurance shown in the Declarations.

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

D. DEDUCTIBLE

The damages caused in any one **Accident** which would otherwise be payable under LIABILITY COVERAGE will be reduced by the Combined Liability Deductible shown in the Declarations prior to the application of the Liability Coverage LIMIT OF SELF-INSURANCE provision. The

Combined Liability Deductible includes all damages and **Loss Adjustment Expense** as the result from any one **Accident**.

To settle any claim or **Suit**, the **Fund** may pay all or any part of any deductible stated in the Declarations. If this happens, the **Member** must reimburse the **Fund** for the deductible or the part of the deductible the **Fund** has paid.

SECTION III. - PHYSICAL DAMAGE

A. COVERAGE

1. The **Fund** will pay for **Loss** to a covered **Auto** or its equipment under:

a. Comprehensive Coverage. From any cause except:

- (1) The covered **Auto's** collision with another object; or
- (2) The covered **Auto's** overturn.

b. Specified Causes of Loss Coverage. Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered **Auto**.

c. Collision Coverage. Caused by:

- (1) The covered **Auto's** collision with another object; or
- (2) The covered **Auto's** overturn.

2. Towing.

The **Fund** will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered **Auto** of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage-Hitting a Bird or Animal-Falling Objects or Missiles.

The **Fund** will pay for glass breakage, **Loss** caused by hitting a bird or animal or by falling objects or missiles under Comprehensive Coverage if the **Covered Party** carries Comprehensive Coverage for the damaged covered **Auto**. However, the **Member** has the

option of having glass breakage caused by a covered **Auto's** collision or overturn or if **Loss** is caused by contact with a bird or animal, considered a **Loss** caused by collision.

4. Coverage Extension.

The **Fund** will also pay up to \$20 per day to a maximum of \$600 for transportation expense incurred by the **Member** because of the total theft of a covered **Auto** of the private passenger type. The **Fund** will pay only for those covered **Autos** for which the **Member** carries either Comprehensive or Specified Causes of Loss or Theft Coverage. The **Fund** will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the expiration of the **Agreement Period**, when the covered **Auto** is returned to use or the **Fund** pays for its **Loss**.

B. EXCLUSIONS

1. The **Fund** will not pay for **Loss** caused by or resulting from any of the following. Such **Loss** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the **Loss**.

a. Nuclear Hazard.

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

b. War or Military Action.

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. Other Exclusions.

a. The **Fund** will not pay for **Loss** to any of the following:

- (1) Stereos, radios, tape decks or other sound reproducing equipment unless permanently installed in a covered **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 citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the **Auto** manufacturer for the installment of a radio.

- (4) **Loss** to any custom furnishings or equipment in or upon any pickup, panel truck, van or motorhome.

Custom furnishings or equipment include but are not limited to:

- (a) special carpeting and insulation, furniture, bars or television receivers;
- (b) facilities for cooking and sleeping;
- (c) height-extending roofs; or
- (d) custom murals, paintings or other decals or graphics.

This exclusion does not apply if the value of the custom furnishings or equipment has been reported to the **Fund** prior to a **Loss** and included in the contribution for this coverage.

- (5) When in or upon any motorhome or **Trailer**, **Loss** to:

- (a) TV antennas;
- (b) awnings or cabanas; or
- (c) equipment designed to create additional living facilities.

- (6) **Loss** to any device or instrument used for detection of radar or other speed measuring equipment.

- b. The **Fund** will not pay for **Loss** caused by or resulting from any of the following unless caused by other **Loss** that is covered by this self-insurance:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

C. **LIMIT OF SELF-INSURANCE**

The most the **Fund** will pay for **Loss** in any one **Accident** is the smallest of the following amounts:

- 1. The amount stated in the Declarations of the policy.
- 2. The actual cash value of the damaged or stolen property at the time of the **Loss**.
- 3. The cost of repairing or replacing the damaged or stolen property with other of like kind or quality.

However, the most the **Fund** will pay for stereos, radios, tape decks or other sound reproducing equipment (excluding citizens band radio, two-way mobile radio or telephone or scanning monitor receiver) is \$1500.

The most the **Fund** will pay for **Loss** or damage to a covered **Auto** is \$100,000. This limitation does not apply if the actual cash value of covered **Autos** in excess of \$100,000 is reported to and accepted by the **Fund**.

D. DEDUCTIBLE

For each covered **Auto** the **Fund's** obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations.

SECTION IV. - BUSINESS AUTO CONDITIONS

A. LOSS CONDITIONS

1. APPRAISAL FOR PHYSICAL DAMAGE LOSS

If the **Fund** or its authorized representative and **Covered Party** disagree on the amount of **Loss** either may demand an appraisal of the **Loss**. In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of **Loss**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

If the **Fund** or its authorized representative submits to an appraisal, the **Fund** or its authorized representative will still retain its right to deny the claim.

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

- a. In the event of **Accident**, claim, **Suit** or **Loss**, the **Covered Party** must give the **Fund** or the **Fund's** authorized representative prompt notice of the **Accident** or **Loss**. Include:

- (1) How, when and where the **Accident** or **Loss** occurred;
- (2) The **Covered Party's** name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

If the **Fund** shows that the **Covered Party's** failure to provide notice prejudices the **Fund's** defense, there is no liability coverage under this Coverage Document.

- b. Additionally, the **Covered Party** must:
 - (1) Assume no obligation, make no payment or incur no expense without the **Fund's** or the **Fund's** authorized representative's consent, except at the **Covered Party's** own cost.

- (2) Immediately send the **Fund** or its authorized representative copies of any demand, notice, summons or legal paper received concerning the claim or **Suit**.
 - (3) Cooperate with the **Fund** or its authorized representative in the investigation, settlement or defense of the claim or **Suit**.
 - (4) Authorize the **Fund** or its authorized representative to obtain medical records or other pertinent information.
 - (5) Submit to examination, at the **Fund's** expense, by physicians of the **Fund's** or its authorized representative's choice, as often as the **Fund** or its authorized representative reasonably requires.
- c. If there is **Loss** to a covered **Auto** or its equipment the **Covered Party** must also do the following:
- (1) Promptly notify the police if the covered **Auto** or any of its equipment is stolen.
 - (2) Take all reasonable steps to protect the covered **Auto** from further damage. Also keep a record of the **Covered Party's** expenses for consideration in the settlement of the claim.
 - (3) Permit the **Fund's** authorized representative to inspect the covered **Auto** and records proving the **Loss** before its repair or disposition.
 - (4) Agree to examinations under oath at the **Fund's** or its authorized representatives request and give the **Fund** or its authorized representatives a signed statement of the **Covered Party's** answers.
- d. When required by the **Fund** or its authorized representative:
- (1) Submit a sworn proof of **Loss**;
 - (2) Submit to examination under oath.

3. LEGAL ACTION AGAINST THE FUND

No one may bring a legal action against the **Fund** until:

- a. There has been full compliance with all the terms of this Coverage Document; and
- b. Under Liability Coverage, the **Fund's** authorized representative agrees in writing that the **Covered Party** has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right to bring the **Fund** into an action to determine the **Covered Party's** liability.

4. LOSS PAYMENT - PHYSICAL DAMAGE COVERAGE.

At the **Fund's** or its authorized representative's option the **Fund** may:

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

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

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

B. GENERAL CONDITIONS

1. ACTION AGAINST A MEMBER OR COVERED PARTY BY A COVERED PARTY

This self-insurance is not intended to and does not insure or otherwise protect, any **Covered Party** when that **Covered Party** is asserting a claim against the **Member** or any other **Covered Party**.

2. BANKRUPTCY

Bankruptcy or insolvency of the **Covered Party** will not relieve the **Fund** of any obligations under this Coverage Document.

3. NO BENEFIT TO BAILEE-PHYSICAL DAMAGE COVERAGES

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

4. OTHER INSURANCE

- a. For any covered **Auto** a **Member** owns, this Coverage Document provides primary self-insurance. For any covered **Auto** a **Member** does not own, the self-insurance provided by this Coverage Document is excess over any other collectible insurance. However, while a covered **Auto**, which is a **Trailer**, is connected to another vehicle, the Liability Coverage this Coverage Document provides for the **Trailer** is:

- (1) Excess while it is connected to a motor vehicle a **Member** does not own.
- (2) Primary while it is connected to a covered **Auto** a **Member** owns.

- b. Regardless of the provisions of paragraph a. above, this Coverage Document's Liability Coverage is primary for any liability assumed under an **Insured Contract**.

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

5. EXAMINATION OF THE **MEMBER'S** BOOKS AND RECORDS

The **Fund** or its authorized representative may examine and audit the **Member's** books and records as they relate to this self-insurance at any time during the **Agreement Period** and up to three years afterward.

6. AGREEMENT PERIOD, AGREEMENT TERRITORY

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

- a. During the **Agreement Period** shown in the Declarations; and
- b. Within the agreement territory.

The agreement territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada.

The **Fund** will also cover **Loss** to, or **Accidents** involving, a covered **Auto** while being transported between any of these places.

7. INSPECTIONS AND SURVEYS

The **Fund** and its authorized representative have the right but are not obligated to:

- a. Make inspections and surveys at any time;
- b. Give the **Member** reports on the conditions the **Fund** finds; and
- c. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to the **Member's** participation in the **Fund** and to contributions made to the **Fund**. The **Fund** or its authorized representative does not make safety inspections. The **Fund** or its authorized representative does not undertake to perform the duty of any person or organization to provide for the health and safety of workers or the public. The **Fund** or its authorized representative does not warrant that conditions:

- a. Are safe or healthful; or

b. Comply with laws, regulations, codes or standards.

8. TRANSFER OF RIGHTS AND DUTIES UNDER THIS COVERAGE DOCUMENT

Rights and duties under this Coverage Document may not be transferred without the written consent of the **Fund** or the **Fund's** authorized representative.

9. TWO OR MORE COVERAGE DOCUMENTS

If this Coverage Document and any other Coverage Document applies to the same **Accident**, the aggregate maximum Limit of Self-Insurance under all Coverage Documents shall not exceed the highest applicable Limit of Self-Insurance under any one Coverage Document.

SECTION V. - DEFINITIONS

Throughout the Texas Political Subdivisions Joint Self-Insurance Fund Automobile Liability and Physical Damage Coverage Document, words and phrases that appear in bold have special meaning. They are defined below.

- A. **Accident** includes continuous or repeated exposure to the same conditions resulting in **Bodily Injury** or **Property Damage**.
- B. **Agreement Period** means the period of time between the inception and expiration dates shown in the Declarations.
- C. **Auto** means a land motor vehicle, Trailer or semitrailer designed for travel on public roads but does not include **Mobile Equipment**.
- D. **Bodily Injury** means Bodily Injury, sickness or disease sustained by a person including death resulting from any of these.
- E. **Covered Party** means any person or organization qualifying as such under Section II., A. 1., COVERED PARTIES provision of the applicable coverage. Except with respect to the Limit of Self-Insurance, the coverage afforded applies separately to each **Covered Party** who is seeking coverage or against whom a claim or **Suit** is brought.
- F. **Fund** means the not-for-profit Texas Political Subdivision Joint Self-Insurance Fund.
- G. **Insured Contract** means:
 - 1. A lease of premises;
 - 2. A sidetrack agreement;
 - 3. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
 - 4. Any other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

5. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality; or
6. That part of any contract or agreement entered into, as part of the **Member's** business, by the **Member** or any of its employees pertaining to the rental or lease of any **Auto**; or
7. That part of any other contract or agreement pertaining to the **Member's** business under which the **Covered Party** assumes the tort liability of another to pay damages because of **Bodily Injury** or **Property Damage** to a third person or organization, if the contract or agreement is made prior to the **Bodily Injury** or **Property Damage**. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An **Insured Contract** does not include that part of any contract or agreement:

1. That pertains to the loan, lease or rental of an **Auto** to a **Covered Party** or any of a **Member's** employees, if the **Auto** is loaned, leased or rented with a driver; or
2. That holds a person or organization engaged in the business of transporting property by **Auto** for hire harmless for a **Covered Party's** use of a covered **Auto** over a route or territory that person or organization is authorized to serve by public authority.

H. **Loss** means direct and accidental **Loss** or damage.

I. **Loss Adjustment Expense** means all costs, charges, expenses and expenditures which are properly chargeable to a claim, **Loss** or **Suit** including, without limitation, court costs, fees and expenses of attorneys, investigators, experts and witnesses, travel expense, fees for obtaining diagrams, reports, documents and photographs, medical cost containment, rehabilitation fees, appraisals, transcript fees, court reporter fees costs of obtaining public records and fees for obtaining independent medical examinations.

Loss Adjustment Expense shall not include salaries of employees of the **Fund's** authorized representative.

J. **Member** means the political subdivision within the State of Texas which is a present participant in the **Fund**.

K. **Mobile Equipment** means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises the **Member** owns or rents;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;

5. Vehicles not described in paragraphs 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in paragraphs 1., 2., 3., or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not **Mobile Equipment** but will be considered **Autos**:
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road Maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on Automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- L. **Property Damage** means damage to or **Loss** of use of tangible property.
- M. **Suit** means a civil proceeding in which damages because of **Bodily Injury**, or **Property Damage**, to which this self-insurance applies are alleged, **Suit** includes:
 1. An arbitration proceeding in which such damages are claimed and to which the **Covered Party** must submit or does submit with the **Fund's** or its authorized representative's consent; or
 2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the **Covered Party** submits with the **Fund's** or its authorized representative's consent.
- N. **Trailer** includes semitrailer.

SECTION VI. - OPTIONAL COVERAGE

The **Fund** will provide Auto Medical Payments Coverage if a limit for such coverage is shown in the Declarations.

A. COVERAGE

The **Fund** will pay reasonable expenses incurred for necessary medical and funeral services to or for a **Covered Party** who sustains **Bodily Injury** caused by an **Accident**. The **Fund** will pay only those expenses incurred within three years from the date of the **Accident**.

B. EXCLUSIONS

This self-insurance does not apply to:

1. **Bodily Injury** sustained by a **Covered Party** while **Occupying** a vehicle located for use as a premises.
2. **Bodily Injury** to a **Member's** employees or volunteers arising out of their duties or in the course of employment.
3. **Bodily Injury** to a **Covered Party** while working in a business of selling, servicing, repairing or parking **Autos**.
4. **Bodily Injury** caused by declared or undeclared war or insurrection or any of their consequences.
5. **Bodily Injury** to anyone using a vehicle without a reasonable belief that the person is entitled to do so.

C. WHO IS A COVERED PARTY

Anyone **Occupying** a covered **Auto** or a temporary substitute for a covered **Auto**. The covered **Auto** must be out of service because of its breakdown, repair, servicing, loss or destruction.

D. LIMITS OF SELF-INSURANCE

Regardless of the number of covered **Autos**, **Covered Parties**, claims made or vehicles involved in an **Accident**, the most the **Fund** will pay for **Bodily Injury** for each **Covered Party** injured in any one **Accident** is the limit of AUTO MEDICAL PAYMENTS shown in the Declarations.

E. CONDITIONS

The **CONDITIONS** of the Coverage Document are changed for AUTO MEDICAL PAYMENTS as follows:

The reference in **OTHER INSURANCE** to other collectible insurance applies only to other collectible Auto Medical Payments Insurance.

F. ADDITIONAL DEFINITIONS

The following is added to the **DEFINITIONS** Section and has special meaning for AUTO MEDICAL PAYMENTS.

- N. **Occupying** means in, upon, getting in, on, out or off.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 222
EXCLUSION FOR TERRORISTIC ACTS**

This self-insurance does not apply to:

- A.** Any **Loss** to a covered **Auto** or its equipment under SECTION III – PHYSICAL DAMAGE;
or
- B.** Any **Loss**, claim or suit alleging any **Bodily Injury, Property Damage**, economic injury or non-economic injury or other damage caused by an **Accident** and resulting from the ownership, maintenance, or use of a covered **Auto** under SECTION II – LIABILITY COVERAGE; or
- C.** Any expense for medical or funeral services under SECTION IV – OPTIONAL COVERAGE for Auto Medical Payments Coverage;

which directly or indirectly arises out of or as a consequence of any vandalism, sabotage or malicious act by one or more persons, whether or not agents of a sovereign power, carried out for political, terrorist or ideological purposes. This exclusion applies in time of peace or war and whether any resulting **Bodily Injury, Property Damage**, economic injury, non-economic injury or other damage, loss or expense is accidental or intentional.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 223
EXCLUSION FOR FUNGI AND OTHER MICROBES**

This self-insurance does not apply to:

- A. Any **Loss** to a covered **Auto** or its equipment under SECTION III – PHYSICAL DAMAGE;
or
- B. Any **Loss**, claim or suit alleging any **Bodily Injury, Property Damage**, economic injury or non-economic injury or other damage caused by an **Accident** and resulting from the ownership, maintenance, or use of a covered **Auto** under SECTION II – LIABILITY COVERAGE; or
- C. Any expense for medical or funeral services under SECTION IV – OPTIONAL COVERAGE for Auto Medical Payments Coverage;

consisting of, caused directly or indirectly by, arising out of or as a consequence of the presence, growth, proliferation, spread or any activity of “fungus,” bacteria, wet or dry rot, or other microorganisms or microbial agents. Such loss, economic injury, non-economic injury or other damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss, economic injury, non-economic injury or other damage. This exclusion applies whether any resulting **Bodily Injury, Property Damage**, economic injury, non-economic injury or other damage, **Loss** or expense is accidental or intentional.

“Fungus” means any type or form of fungus, including mold, rusts, smut, mildew, and any mycotoxins, spores, scents or by-products produced or released by such fungi.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 236
Out-of-State Coverage Extension**

In consideration of no change in contribution it is hereby agreed **Section II Liability Coverage** is amended as follows:

A. Coverage

2. Coverage Extensions

b. Out-of-State-Extensions.

While a covered **Auto** is away from the state where it is licensed the **Fund** will:

- (1) Increase the Limit of Self-Insurance to meet the limit or limits specified by a compulsory or financial responsibility law in the jurisdiction where the covered **Auto** is being used or the limits of liability shown on the Declaration Page, whichever is higher, subject to a maximum of \$1,000,000 combined single limits. This extension does not apply to travel other than that directly related to the transport of the Member's students, faculty or staff, nor to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out of state vehicles by the jurisdiction where the covered **Auto** is being used.

The **Fund** will not pay anyone more than once for the same elements of loss because of these extensions.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 207
LOSS PAYABLE CLAUSE**

Loss or damage under PHYSICAL DAMAGE COVERAGE shall be paid as interest may appear to the **Member** and the loss payee shown in the SCHEDULE OF COVERED AUTOS.

When the **Fund** pays the loss payee the **Fund** shall, to the extent of payment be subrogated to the loss payee's rights of recovery.

LOSS PAYEE:

American National Leasing Company

ADDRESS:

2732 Midwestern Parkway
Wichita Falls, TX 76308

APPLIES TO THE FOLLOWING VEHICLE(S):

2019 Chevrolet Tahoe #1GNLCDEC8KR173799
2019 Chevrolet Tahoe #1GNLCDEC9KR171902
2019 Chevrolet Tahoe #1GNLCDEC9KR173794

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 215
GARAGEKEEPERS COVERAGE**

Name of Member: Sutton County Interlocal Agreement Number: 21-F0649
Effective Date October 01, 2021

SCHEDULE

Selection by an "X" Below	Coverages	Limit of Self-Insurance (The most the Fund will pay for any one Accident or Loss)
<input checked="" type="checkbox"/>	Comprehensive	\$50,000 MINUS \$2,500 DEDUCTIBLE FOR EACH AUTO FOR LOSS CAUSED BY THEFT OR MISCHIEF OR VANDALISM SUBJECT TO \$5,000 MAXIMUM DEDUCTIBLE FOR ALL SUCH LOSS IN ANY ONE EVENT.
<input type="checkbox"/>	Specified Causes of Loss	
<input checked="" type="checkbox"/>	Collision	\$50,000 MINUS \$2,500 DEDUCTIBLE FOR EACH AUTO .

CONTRIBUTION

Comprehensive	\$ See Rating
Specified Causes of Loss	\$ Worksheet
Collision	\$ Attached

- A. This Addendum provides only those coverages where a Limit of Self-Insurance and a contribution are shown for that coverage in the Schedule or in the Declarations.
- B. **COVERAGE**
1. The **Fund** will pay all sums the **Covered Party** legally must pay as damages for **Loss** to a covered **Auto** or **Auto** equipment left in the **Covered Party's** care while the **Covered Party** is attending, servicing, repairing, parking or storing such covered **Autos** under:
 - a. Comprehensive Coverage. From any cause except:
 - (1) The covered **Auto's** collision with another object; or
 - (2) The covered **Auto's** overturn.
 - b. Specified Causes of Loss Coverage Caused by:
 - (1) Fire, lightning or explosion
 - (2) Theft; or
 - (3) Mischief or vandalism.
 - c. Collision Coverage Caused by:

- (1) The covered **Auto's** collision with another object; or
- (2) The covered **Auto's** overturn.

The coverage provided by this addendum applies only when the **Covered Party** is legally liable for **Loss** to a covered **Auto**.

2. The **Fund** has the right and duty to defend any **Suit** asking for these damages. However, the **Fund** has no duty to defend **Suits** for **Loss** not covered by this addendum. The **Fund** or its authorized representative may investigate and settle any claim or **Suit** as considered appropriate. The **Fund's** duty to defend or settle ends for this coverage when the Limit of Self-Insurance has been exhausted by payment of judgments or settlements.

3. COVERED PARTIES

As used in this addendum, the following are **Covered Parties** for **Loss** to covered **Autos**:

- a. The **Member**.
- b. Any officer, director, elected or appointed official, any member of board or commission or agency of the **Member**, and any employee of the **Member** all while acting within the scope of their duties or employment.

4. COVERAGE EXTENSIONS

Supplementary Payments. In addition to the Limit of Self-Insurance, the **Fund** will pay for the **Covered Party**:

- a. All expenses the **Fund** incurs.
- b. The cost of bonds to release attachments in any **Suit** the **Fund** defends, but only for bond amounts within the Limit of Self-Insurance.
- c. All reasonable expenses incurred by the **Covered Party** at the **Fund's** or the **Fund's** authorized representative's request, including actual loss of earnings up to \$100 a day because of time off from work.
- d. All costs taxed against the **Covered Party** in any **Suit** the **Fund** defends.
- e. All interest on the full amount of any judgment that accrues after entry of the judgment in any **Suit** the **Fund** defends; but the **Fund's** duty to pay interest ends when the **Fund** has paid, offered to pay or deposited in court the part of the judgment that is within the Limit of Self-Insurance.

B. EXCLUSIONS

1. This self-insurance does not apply to any of the following:
 - a. Contractual obligations, including liability resulting from any agreement by which the **Covered Party** accepts responsibility for **Loss**.
 - b. Theft, including **Loss** due to theft or conversion caused in any way by the **Member's** officers, directors, officials, employees or members of a board commission or agency.
 - c. Defective parts or materials.
 - d. Faulty work, the **Covered Party** performs.

2. The **Fund** will not pay for **Loss** to any of the following:

- a. Tape decks or other sound reproducing equipment unless permanently installed in a covered **Auto**.
- b. Tapes, records or other sound reproducing devices designed for use with sound reproducing equipment .
- c. Sound receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the **Autos** manufacturer for the installation of a radio.
- d. Equipment designed or used for the detection or location of radar .

B. LIMIT OF SELF-INSURANCE AND DEDUCTIBLE

1. Regardless of the number of **Covered Parties**, claims made or **Suits** brought, the most the **Fund** will pay for each **Loss** is the Garagekeepers Coverage Limit of Self-Insurance shown in the Schedule of this addendum minus the applicable deductibles for **Loss** caused by collision, theft or mischief or vandalism.
2. The maximum deductible stated in the Schedule of this addendum for Garagekeepers Coverage Comprehensive on Specified Causes of Loss Coverage is the most that will be deducted for all **Loss** in any one event caused by theft or mischief or vandalism.
3. Sometimes to settle a claim or **Suit**, the **Fund** may pay all or any part of the deductible. If this happens, the **Member** must reimburse the **Fund** for the deductible or that portion of the deductible that the **Fund** has paid.

C. DEFINITIONS

In addition to the SECTION VI - DEFINITIONS of the Coverage Document, other words and phrases appearing in quotation marks in this addendum have special meaning. They are defined below.

1. **Auto** means a land motor vehicle, trailer or semitrailer.
2. **Covered Party** means those persons or organizations listed in Section A.3. of this addendum.
3. **Loss** means direct and accidental loss or damage, including any resulting loss of use.
4. **Suit** means a civil proceeding in which damages to which this self-insurance applies are alleged. **Suit** includes an arbitration proceeding alleging such damages to which the **Covered Party** must submit or submits with the **Fund's** or the **Fund's** authorized representative's consent.
5. **Work the Covered Party Performs** includes work that someone performed for the **Covered Party**.

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY**

**ADDENDUM NO. 216a
AUTOMATIC SELF-INSURANCE OF COVERED AUTOS**

Name of Member: Sutton County Interlocal Agreement Number: 21-F0649

Effective Date: October 01, 2021

It is hereby agreed that Section I - Covered **Autos**, B. 1 and B. 2 are replaced by the following:

B. OWNED AUTOS THE MEMBER ACQUIRES AFTER THE COVERAGE BEGINS

According to the symbol(s) entered next to a coverage in ITEM TWO of the Declarations, the **Member** has automatic self-insurance coverage for the remainder of the **Agreement Period**.

The **Member** agrees to provide the **Fund** with a complete and accurate Automobile Fleet Audit Form. The Automobile Fleet Audit Form is required to be submitted to the **Fund** within 30 days of the end of the **Agreement Period**.

It is further agreed that Section I - Covered **Autos**, A. Description of Covered **Autos** Designation

No Additional Symbols needed.

Symbol / Description

10 Owned Commercial **Autos** 1990 and newer. **Excluding 1993 Freightliner#1757, 1993 Big Tex Trlr #1854, 1997 Shopbuilt Trlr #1197, 1998 Fountaine Low Boy Trlr #7441.** This includes those commercial **Autos** described above that the **Member** acquires ownership of after the **Agreement Period** begins.

11 Owned Private Passenger **Autos**. This includes those private passenger **Autos** described above that the **Member** acquires ownership of after the **Agreement Period** begins.

12 Owned Special Type **Autos** (Law Enforcement). This includes those special type **Autos** described above that the **Member** acquires ownership of after the **Agreement Period** begins.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 220
UNINSURED/UNDERINSURED MOTORIST COVERAGE**

Name of Member: Sutton County Interlocal Agreement Number: 21-F0649

Effective Date October 01, 2021

SCHEDULE

Coverage	Limits of Self-Insurance	Contribution
Bodily Injury	Each Person Each Accident	
Property Damage	Each Accident	
Combined Liability	\$85,000 Each Accident	Included

Designated Person:

Description of Covered Autos
(Check Appropriate Block)

- Any **Auto** owned by the **Member**.
- Any private passenger **Auto** owned by the **Member**.
- Any motor vehicle to which are attached dealer's license plates issued to the **Member**.
- Any **Autos** designated in the declarations of the contract (by the letters **UM/UIM**) and an **Auto** ownership of which is acquired during the contract period by the **Member** as a replacement therefore.
- _____

A. COVERAGE

The **Fund** will pay damages which a **Covered Party** is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of **Bodily Injury** sustained by a **Covered Party**, or **Property Damage** caused by an **Accident**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the uninsured motor vehicle.

Any judgment for damages arising out of a **Suit** brought without the **Fund's** written consent is not binding on the **Fund**. If the **Fund** and the **Member** do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be on the **Fund**.

This coverage will apply only to the extent allowable by law.

B. EXCLUSIONS

1. The **Fund** does not provide Uninsured/Underinsured Motorists Coverage for any person:
 - a. For **Bodily Injury** sustained while occupying, or when struck by any motor vehicle or a trailer of any type owned by the **Member** a **Designated Person** or a **Family Member** of either which is not a **Covered Party** under this coverage document.
 - b. If that person or the legal representative settles the claim without the **Fund's** consent.
 - c. For the first \$250 of the amount of damage to the property of that person as the result of any one **Accident**.
 - d. Using a vehicle without a reasonable belief that the person is entitled to do so. This exclusion does not apply to the **Member**, any designated person or a **Family Member** of either while using a **Covered Auto** .
 - e. For **Bodily Injury** or **Property Damage** resulting from the intentional acts of that person.
2. This coverage shall not apply directly or indirectly to benefit:
 - a. any insurer or self-insurer under any workers' compensation, disability benefits or similar law;
 - b. any insurer of property.

C. WHO IS A COVERED PARTY

1. The **Member** and any **Designated Person** and any **Family Member** of either.
2. Any other person **Occupying a Covered Auto**.
3. Any person or organization for damages that person or organization is entitled to recover because of **Bodily Injury** sustained by a person described in 1. or 2. above.

D. LIMIT OF SELF-INSURANCE

When separate Limits of Self-Insurance for **Bodily Injury** and **Property Damage** liability are shown in the Declarations or in the Schedule for this coverage the Limit of Self-Insurance for each person for **Bodily Injury** liability is the **Fund's** maximum Limit of Self-Insurance for all damages for **Bodily Injury** sustained by any one person in any one **Auto Accident**. Subject to this limit for each person, the Limit of Self-Insurance indicated for each **Accident** for **Bodily Injury** liability is the **Fund's** maximum Limit of Self- Insurance for all damages for **Bodily Injury** resulting from any one **Accident**. The Limit of Self-Insurance indicated for each **Accident** for **Property Damage** liability is the **Fund's** maximum Limit of Self-Insurance for all damages to all property resulting from any one **Auto Accident**.

If the applicable Limit of Self-Insurance shown either in the Schedule or in the Declarations for this coverage is for combined liability, it is the **Fund's** maximum Limit of Self-Insurance for all damages resulting from any one **Accident**.

This is the most the **Fund** will pay regardless of the number of:

1. **Covered Parties;**
2. claims made;
3. policies or bonds applicable;
4. **Covered Autos;**
5. vehicles involved.

1. The difference between the amount of a **Covered Party's** damages for **Bodily Injury** or **Property Damage** and the amount paid or payable to that **Covered Party** for such damages, by or on behalf of persons or organizations who may be legally responsible; and
2. The applicable limit of liability for this coverage.

In order to avoid Self-Insured benefits payments in excess of actual damages sustained, subject only to the limits set out in the Schedule or in the Declarations and other applicable provisions of this coverage, the **Fund** will pay all covered damages not paid or payable under any workers' compensation law, disability benefits law, any similar law, auto medical expense coverage or Personal Injury Protection Coverage.

Any Payment under this coverage to or for a **Covered Party** will reduce any amount that **Covered Party** is entitled to recover for the same damages under the LIABILITY COVERAGE of this coverage document.

SPECIAL PROVISIONS FOR PROPERTY DAMAGE

Any **Property Damage Loss** to which the PHYSICAL DAMAGE COVERAGE of this coverage document (or similar coverage from another policy) and this coverage both apply, the **Member** may choose the coverage from which damages will be paid. The **Member** may recover under both coverages, but only if:

1. neither one by itself is sufficient to cover the loss;
2. the **Member** pays the higher deductible amount (but the **Member** does not have to pay both deductibles); and
3. the **Member** will not recover more than the actual damages.

E. CONDITIONS

The CONDITIONS of the coverage document are changed for UNINSURED/UNDERINSURED MOTORIST COVERAGE as follows:

1. DUTIES IN THE EVENT OF **ACCIDENT, CLAIM, SUIT OR LOSS** is changed by adding the following:
 - a. promptly notify the police if a hit-and-run driver is involved;
 - b. promptly send the **Fund** copies of the legal papers if a **Suit** is brought;
 - c. take reasonable steps after **Loss** to protect the **Covered Auto** and its equipment from further **Loss**. The **Fund** will pay reasonable expenses incurred to do this; and
 - d. permit the **Fund** to inspect and appraise the damaged property before its repair or disposal.
2. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO THE **FUND** is changed by adding the following:

If the **Fund** makes any payment and the **Covered Party** recovers from another party, the **Covered Party** shall hold the proceeds in trust for the **Fund** and reimburse the **Fund** to the extent of the **Fund's** payment. However, the **Fund** may not claim the amount recovered from an insurer of any underinsured motor vehicle.

3. The reference in OTHER INSURANCE to **Other Collectible Insurance** is replaced by the following:

If there is other applicable similar insurance the **Fund** will pay only its share of the loss. The **Fund's** share is the proportion that the **Fund's** Limit of Self-Insurance bears to the total of all applicable limits. However, any coverage the **Fund** provides with respect to a vehicle the **Member** does not own shall be excess over any other collectible insurance.

F. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section and have special meaning for UNINSURED/UNDERINSURED MOTORIST COVERAGE:

1. **Family Member** means a person related to the **Member** by blood, marriage or adoption who is a resident of the **Member's** household, including a ward or foster child.
2. **Designated person** means an individual named in the schedule. By such designation, that person has the same coverage as the **Member**.
3. **Occupying** means in, upon getting in, on, out or off.
4. **Covered Auto** means an **Auto**:
 - a. owned or leased by the **Member**; or
 - b. while temporarily used as a substitute for an owned **Covered Auto** that has been withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction.

Liability coverage of this policy must apply to the **Covered Auto**.

5. **Property damage** means injury to or **Loss** of or destruction of:
 - a. a Covered Auto;
 - b. property owned by the **Member**, a **Designated Person**, or any **Family Member** of either while contained in a **Covered Auto**;
 - c. property owned by any other person **Occupying** the **Covered Auto** while contained in the **Covered Auto** ; or
 - d. any property owned by the **Member**, a **Designated Person** or **Family Member** of either while contained in any **Auto** not owned, but being operated by the **Member**, a **Designated Person** or any **Family Member** of either.
6. **Uninsured Motor Vehicle** means a land motor vehicle or **Trailer** of any type:
 - a. To which no liability bond or policy applies at the time of the **Accident**.
 - b. Which is a hit-and-run vehicle whose operator or owner cannot be identified. The vehicle must hit a **Covered Party**, a **Covered Auto** or a vehicle a **Covered Party** is **Occupying**.
 - c. To which a liability bond or policy applies at the time of the **Accident**, but the bonding or insuring company denies coverage or is or becomes insolvent.
 - d. Which is an underinsured motor vehicle. An underinsured motor vehicle is one to which a liability bond or policy applies at the time of the accident but its limit of liability either: (1) is not enough to pay the full amount the **Covered Party** is legally entitled to recover as damages; or (2) has been reduced by payment of claims to an amount which is not enough to pay the full amount the **Covered Party** is legally entitled to recover as damages.

However **Uninsured Motor Vehicle** does not include any vehicle or equipment:

- a. Owned by or furnished or available for the regular use of the **Member**, a **Designated Person** or a **Family Member** of either.
- b. Owned or operated by a self-insurer under any applicable motor vehicle law.

- c. Owned by any governmental body unless the operator of the vehicle is uninsured and there is no statute imposing liability for damage because of **Bodily Injury** or **Property Damage** on the governmental body for an amount not less than the Limit of Self-Insurance for this coverage.
- d. Operated on rails or crawler treads.
- e. Designed mainly for use off public roads while not on public roads.
- f. While located for use as a residence or premises.

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PROPERTY DECLARATION**

Name of Member: **Sutton County**

Interlocal Agreement Number: **21-F0649**

Agreement Period: From: **October 01, 2021**

To: **October 01, 2022**

at 12:01 A.M. Standard Time
at the Member's Mailing Address

PROPERTY COVERAGE

Blanket:
(Subject to Sworn Statement of Values on file with TPS)

Building & Content: \$11,412,083

OTHER COVERAGE

(Coverage is provided only if a Sublimit of Self-Insurance is shown)

	Sublimits of Self-Insurance
Contractors Equipment	\$966,004
Electronic Data, Media and Hardware	\$500,000
	per schedule on file with Member
Miscellaneous Equipment	\$214,287

LIMIT OF SELF-INSURANCE:

\$13,092,374

DEDUCTIBLE AMOUNT:

Any Other Covered Loss:		\$25,000
Windstorm:		\$150,000
Hail:		\$150,000

Refer to Inland Marine Schedule for applicable IM deductibles

OPTIONAL COVERAGE

(Coverage is provided only if a Sublimit of Self-Insurance is shown)

	Sublimit of Self-Insurance	Deductible
Flood (water) Coverage	\$10,000,000	\$150,000
Earth Movement Coverage	\$10,000,000	\$150,000
Equipment Breakdown	Included in Limit of Self-Insurance	\$10,000

ADDENDA TO THE COVERAGE DOCUMENT

303, 308a, 351, 351a, 360, 380, 389, 389a, 391, 393, 394, 394a, 395, 397, 398, 399



Equipment Breakdown

INSPECTION REQUEST

for



Texas Political Subdivisions JSIF

To request a jurisdictional boiler or pressure vessels inspection, or to report the installation of a new boiler, please contact AXA XL by phone or email.

If your request involves more than five separate locations, please consider the use of email to submit a complete listing of locations and contacts.

Telephone: (844) 952-4677

EMAIL: ebservicecenter@axaxl.com (please scan the completed form and attach)

Please give the following information to your AXA XL Customer Service Representative.

Association Name: **Texas Political Subdivision JSIF**

Member Name: _____ Policy No.: **US00112591PR21A**

Location Address: _____

Member Contact Name: _____

Member Contact Phone No.: _____

Inspections will be scheduled promptly!

**TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PROPERTY COVERAGE DOCUMENT**

SECTION I - COVERAGES AND LIMITS OF SELF-INSURANCE

Terms which appear in boldface type have special meaning. See Section VIII. COVERAGE DOCUMENT DEFINITIONS.

- A. **COVERED PARTY:** First Named Covered Party (The Member) and/or its affiliated and subsidiary companies and/or corporations as now exist or may hereafter be constituted or acquired including their interests as may appear in partnerships or joint ventures which the Covered Party (The Member) is legally obligated to self-insure.
- B. **MORTGAGEES, LOSS PAYEES, AND ADDITIONAL COVERED PARTIES:** Per Certificates on File with the Fund.
- C. **COVERAGE TERRITORY:** Coverage under this Coverage Document applies to **Occurrences** within the United States, its territories and possessions, Puerto Rico, and Canada, including their respective coastal waters.
- D. **LIMIT OF SELF-INSURANCE ("Coverage Document Limit"):** The Fund's maximum liability in any one **Occurrence** as a result of all covered loss or damage regardless of the number of **Locations**, coverages, or perils self-insured under this Coverage Document shall not exceed:

\$ Refer to Property Declaration Page

- E. **SUBLIMITS OF SELF-INSURANCE:** Sublimits of Self-Insurance stated below are subject to and not in addition to the **Coverage Document Limit** shown in Paragraph D., above. These Sublimits of Self-Insurance and the specified limits of self-insurance contained in the forms, addenda and extensions attached, if any, are per **Occurrence** unless otherwise indicated.

If the words, NOT COVERED are shown, instead of a limit, sublimit amount or number of days, or if a specified amount or number of days is not shown corresponding to any coverage or Covered Cause of Loss, then no coverage is provided for that coverage or Covered Cause of Loss.

1. Earth Movement:

- a. **\$ 10,000,000** Annual Aggregate

Subject to the Annual Aggregate Limit for all **Earth Movement** shown in Subparagraph E.1.a. above:

- b. **NOT COVERED** Annual Aggregate for all **Earth Movement** in all of the following states combined: California, Alaska, Hawaii, and Puerto Rico
- c. **NOT COVERED** Annual Aggregate for **Pacific Northwest Earthquake Zone Counties** (See Section VIII – Coverage Document Definitions, Subparagraph E.1.)
- d. **NOT COVERED** Annual Aggregate for New Madrid Earthquake Zone Counties (See Section VIII – Coverage Document Definitions, Subparagraph E.2.)

2. Flood:

- a. **\$ 10,000,000** Annual Aggregate

- b. \$2,500,000 Subject to the Annual Aggregate Limit for all **Flood** shown in Subparagraph E.2.a. above, the Annual Aggregate as respects Flood for **Locations** wholly or partially within Special Flood Hazard Areas (SFHA), areas of 100-year flooding as defined by the Federal Emergency Management Agency (FEMA).
3. Named Storm **\$ (Included in Coverage Document Limit)** Regardless of the number of Coverages, **Locations** or Perils involved including, but not limited to, all **Flood**, (however caused) wind, wind gusts, storm surges, tornados, cyclones, **Hail**, or rain, the maximum amount the Fund will pay per **Occurrence** as respects all covered Loss or Damage arising out of a Named Storm (a storm that has been declared by the National Weather Service to be a Hurricane, Typhoon, Tropical Cyclone, Tropical Storm, or Tropical Depression) **except in Tier 1 High Hazard Wind Zones**. In the event covered Loss or Damage by **Flood** arises out of a Named Storm, the maximum amount the Fund will pay per **Occurrence** for all such Loss or Damage by **Flood** shall be the Sublimits of Self-Insurance for **Flood** as shown in Subparagraphs E.2.a. and E.2.b. above. However, if **Flood** is not covered, the maximum amount the Fund will pay per **Occurrence** for all such Loss or Damage by Named Storm shall exclude Loss or Damage by **Flood**.
4. Debris Removal: The Fund's total liability for Debris Removal per **Occurrence** for all Self-Insured **Locations** sustaining covered direct physical loss or damage payable under this Coverage Document shall not exceed the lesser of:
- a. 25% of the amount of covered direct physical loss or damage payable for all Self-Insured **Locations**; or
 - b. **\$ 10,000,000**
5. Accounts Receivable: **\$ 5,000,000**
6. Civil or Military Authority: 30 Days
7. Contingent Time Element: **NOT COVERED**
8. Demolition & Increased Cost of Construction: (See Section VI-Additional Coverages, Paragraph C.)
- a. Demolition Coverage A: ***Included in Coverage Document Limit***
 - b. Demolition Coverage B: ***Included in Coverage Document Limit***
 - c. Demolition Coverage C: ***Included in Coverage Document Limit***
9. Electronic Data, Media and Hardware: ***Refer to Property Declaration***
10. Equipment Breakdown: ***Refer to Property Declaration***
11. Spoilage: **\$250,000**
12. Errors and Omissions: **\$1,000,000.** , Subject to all other sublimits contained herein.

13. Extended Period of Indemnity:	NOT COVERED
14. Extra Expense:	\$ 5,000,000
15. Fine Arts:	\$ 1,000,000
16. Fire Brigade Charges:	<i>Included in Coverage Document Limit</i>
17. Ingress/Egress Coverage:	30 Days
18. Leasehold Interest:	\$ 5,000,000
19. Limited Pollution Coverage:	\$500,000 Annual Aggregate
20. Miscellaneous Unnamed Locations:	\$ 5,000,000. , Subject to all other sublimits contained herein.
21. Newly Acquired Property:	180 Days, but in no event will the Fund pay more than \$10,000,000. , Subject to all other sublimits contained herein.
22. Ordinary Payroll:	NOT COVERED
23. Professional Fees:	\$ 1,000,000
24. Service Interruption:	\$ 5,000,000. A qualifying period of 24 hours applies to this coverage.
25. Transit:	\$1,000,000 Per Conveyance \$1,000,000 Per Occurrence
26. Valuable Papers and Records:	\$5,000,000
27. Back Up of Sewers & Drains:	\$1,000,000 Per Occurrence
28. Limited Fungus/Mold:	\$25,000 Per Occurrence Subject to an Annual Aggregate of \$250,000
29. Outdoor Property:	\$1,000,000 Per Occurrence Including but not limited to Trees, shrubs and plants subject to a maximum per item of \$1,000 for any tree, shrub or plant, or \$250,000 for any other item.
30. Personal Property of Officers And/or Employees of the Member:	\$100,000 Per Occurrence subject to a maximum of \$1,000 Per Officer or Employee
31. Miscellaneous Signage, Street Lights and/or Traffic Lights:	\$1,000,000 Per Occurrence
32. Drones	\$50,000 Per Occurrence at a self-insured location while on the ground.
33. Service Animals	The lesser of \$25,000 per special use animal or \$100,000 Per Occurrence.
34. Unscheduled Tracks & Fields	\$2,500,000 Per Occurrence.

- F. **MAXIMUM AMOUNT PAYABLE:** In the event of covered loss hereunder, liability of the Fund shall be limited to the least of the following:
1. The actual adjusted amount of loss, less applicable deductible(s),
 2. The limit of self-insurance or applicable sublimit of self-insurance shown in this Coverage Document or amended onto this Coverage Document.
- G. **DEDUCTIBLE:** Each claim for loss or damage under this Coverage Document shall be subject to a per **Occurrence** deductible amount of \$(See Property Declaration Page), unless a specific deductible shown below applies:
1. **Flood:**
 - a. **\$ 150,000. Per Occurrence**
 - b. **5%** of Total Insurable Values at the time of the loss at each location involved in the loss or damage, subject to a minimum of **\$1,000,000** any one occurrence, as respects locations wholly or partially within Special Flood Hazard Area (SFHA), areas of 100-year flooding, as defined by the Federal Emergency Management Agency (FEMA).
 2. **Earth Movement:**
 - a. **\$ 150,000 Per Occurrence**
 - b. **NOT COVERED** of Total Insurable Values at the time of the loss at each location involved in the loss or damage, subject to a minimum of \$250,000 any one occurrence, as respects locations in California, Alaska, Hawaii and/or Puerto Rico;
 - c. **NOT COVERED** of Total insurable Values at the time of the loss at each location involved in the loss or damage, subject to a minimum of \$250,000 any one occurrence, as respects locations in the Pacific Northwest Earthquake Zone Counties;
 - d. **NOT COVERED** of Total Insurable Values at the time of the loss at each location involved in the loss or damage, subject to a minimum of \$250,000 any one occurrence, as respects locations in the New Madrid Earthquake Zone Counties.
 3. **Windstorm or Hail: (Includes Named Storm)**
 - a. Refer to Property Declaration Page.
 4. **Time Element: N/A**
 5. **Equipment Breakdown:**
 - a. \$10,000 Per **Occurrence**
 6. **Drones: \$5,000 Per Occurrence**
 7. **Special Use Animals: \$5,000 Per Animal**

The following two paragraphs apply to Subparagraphs G.1. through G.7, inclusive:

In each case of loss or damage covered by this Coverage Document, the Fund shall not be liable unless the Member sustains loss or damage in a single **Occurrence** greater than any applicable deductible described herein and then, if this is a quota share Coverage

Document, only for the Fund's share in excess of such deductible. When this Coverage Document covers more than one **Location**, the deductible shall apply against the total loss or damage covered by this Coverage Document in any one **Occurrence**, unless otherwise stated in this Paragraph G.

If two or more deductible amounts provided in this Coverage Document apply to a single **Occurrence**, the total to be deducted shall not exceed the largest deductible applicable unless otherwise stated in this Coverage Document. However, if:

1. The Time Element deductible and another deductible apply to a single **Occurrence**, then the Fund shall apply both deductibles to the **Occurrence**; and
2. Covered Loss or Damage by **Flood** arises out of a Named Storm, then the Fund shall apply the **Flood** deductible set forth in Subparagraph G.1. or the Named Storm deductible set forth in Subparagraph G.3.a., whichever is greater.

SECTION II — COVERED CAUSES OF LOSS

- A. **PERILS SELF-INSURED:** This Coverage Document self-insures against all risks of direct physical loss or damage to Self-Insured Property, except as excluded.
- B. **PERILS EXCLUDED:**
1. The Fund does not self-insure 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 contributing concurrently or in any sequence to the loss or damage. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area:
 - a. Nuclear reaction or nuclear radiation or radioactive contamination from any cause, all whether direct or indirect, controlled or uncontrolled, proximate or remote, or is contributed to or aggravated by a Covered Cause of Loss. However:
 - i. If fire not otherwise excluded ensues, the Fund shall be liable for direct physical loss or damage by such ensuing fire, but not including any loss or damage due to nuclear reaction, nuclear radiation, or radioactive contamination; and
 - ii. This Coverage Document does self-insure against loss or damage caused by sudden and accidental radioactive contamination, including resultant radiation damage, from material used or stored or from processes conducted on the Self-Insured premises, provided that, at the time of such loss or damage, there is neither a nuclear reactor nor any new or used nuclear fuel on the Self-Insured premises.
 - b.
 - i. War, hostile or warlike action in time of peace or war, whether or not declared, including action in hindering, combating, or defending against an actual, impending, or expected attack:
 - (1) By any government or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval, or air forces; or
 - (2) By military, naval, or air forces; or
 - (3) By an agent of any such government, power, authority, or force;
 - ii. Any weapon of war employing atomic fission or radioactive force, whether in time of peace or war, whether or not its discharge was accidental; or
 - iii. Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering combating, or defending against such **Occurrence**, seizure or destruction;

Including any consequence of Subparagraphs b.i., b.ii., or b.iii. above.

- c. Any fraudulent or dishonest act or acts, intended to result in financial gain, committed alone or in collusion with others: by any proprietor, partner, director, trustee, officer or employee of the Member, or by any party to whom the property may have been entrusted (other than a carrier for hire).

However, a willful act of destruction by an employee of the Member, or others listed above without the knowledge of the Member is covered.

- d. Asbestos material removal, except asbestos that itself incurs direct physical loss or damage caused by a **Defined Peril** at the Self-Insured **Location**.

- e. The actual, alleged or threatened release, discharge, escape or dispersal of **Pollutants or Contaminants**, all whether direct or indirect, proximate or remote or in whole or in part caused by, contributed to or aggravated by any Covered Cause of Loss under this Coverage Document.

However, this exclusion shall not apply to direct physical loss or damage to Self-Insured Property arising out of seepage, contamination, or pollution caused by a **Defined Peril** at the Self-Insured **Location**.

- f. Faulty workmanship, material, construction, installation or design from any cause; all unless direct physical loss or damage not otherwise excluded by this Coverage Document ensues, in which event, this coverage Document will cover only such ensuing loss or damage.

- g. Loss attributable to manufacturing or processing operations which result in damage to stock or materials while such stock or materials are being processed, manufactured, tested or otherwise being worked upon; all unless physical damage not otherwise excluded by this Coverage Document ensues, in which event, this Coverage Document shall cover only such ensuing damage.

- h. Deterioration, depletion, rust, corrosion, erosion, wet or dry rot, decay, evaporation, leakage, wear and tear, animal, insect or vermin damage, inherent vice or latent defect, shrinkage or change in color, flavor, texture or finish, extremes or changes of temperature damage or changes in relative humidity damage, all whether atmospheric or not; all unless physical damage not otherwise excluded by this Coverage Document ensues, in which event, this Coverage Document shall cover only such ensuing damage.

- i. Settling, cracking, shrinking, bulging, or expansion of pavements, foundations, walls, floors, or ceilings; all unless physical damage not otherwise excluded by this Coverage Document ensues, in which event, this Coverage Document will cover only such ensuing damage.

- j. Lack of incoming electricity, fuel, water, gas, steam, refrigerant, or outgoing sewerage, or incoming or outgoing data or telecommunications, all of which are caused by an **Occurrence** away from the **Location(s)** self-insured under this Coverage Document, unless specifically provided herein and only to the extent provided herein.

- k. Costs, expenses, fines or penalties incurred or sustained by or imposed on the Member at the order of any government agency, court or other authority arising from any cause whatsoever.

- l. i. Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility,
ii. Any corruption, destruction, distortion, erasure or other loss or damage to data, software, or any kind of programming or instruction set,
iii. Loss of use or functionality, whether partial or entire, of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the Member to conduct business, as a result thereof.

This exclusion shall not apply to any ensuing physical damage, not otherwise excluded, which itself results from a **Defined Peril** at the Self-Insured **Location**.

- m. Error or omission in **Electronic Data and Media** machine programming or instructions, including, loss attributable to program design constraints, networking compatibility and original business applications.
- n. The failure of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Member or not, and whether occurring before, during or after the year 2000 that results from the inability to:
 - i. correctly recognize any date as its true calendar date;
 - ii. capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than its true calendar date; and/or
 - iii. capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.

It is further understood that the Fund will not pay for the repair or modification of any part of an electronic data processing system or its related equipment, to correct deficiencies or features of logic or operation.

It is further understood that the Fund will not pay for damage or consequential loss arising from the failure, inadequacy, or malfunction of any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Member or for the Member or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in a. above.

Such Damage or Consequential Loss described in a., b., or c. above, is excluded regardless of any other cause that contributed concurrently or in any other sequence.

This exclusion shall not apply to any subsequent damage or consequential loss, not otherwise excluded, which itself results from a **Defined Peril** at the Self-Insured **Location**.

- o. **Fungus, Mold(s), Mildew, Spores or Yeast**; or any spores or toxins created or produced by or emanating from such **Fungus, Mold(s), Mildew, Spores or Yeast**.
- p. Hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment, unless direct physical loss or damage not otherwise excluded by this Coverage Document ensues, in which event, this Coverage Document will cover only such ensuing loss or damage.
- q. Loss or damage arising out of:
 - i. Building or any part of a building that is in danger of falling down or caving in,
 - ii. Any part of a building that has separated from another part of the building, or
 - iii. A building or any part of a building that is standing which shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

However, the Fund does cover loss or damage arising out of **Collapse**.

- r. **Equipment Breakdown** to vehicles or any equipment on vehicles, draglines, or excavation or construction equipment.
- s. Loss or damage arising out of any peril for which the words NOT COVERED or for which an amount is not shown in Section I. Subparagraph E.

2. The Fund does not self-insure for loss or damage caused by any of the following:
 - a. Delay, loss of market, or loss of use.
 - b. Indirect, remote, or consequential loss or damage.
 - c. Mysterious disappearance or loss or shortage disclosed on taking inventory or any unexplained loss.
 - d. Voluntary parting with title or possession of any property, including voluntary parting which is the result of larceny, false pretenses, or any other similar act.

SECTION III — SELF-INSURED PROPERTY

- A. **SELF-INSURED PROPERTY:** Unless otherwise excluded, this Coverage Document covers the following property while on the described **Locations** and within 1,000 feet thereof:
1. Real property, including new buildings and additions under construction at a Self-Insured **Location**, and personal property in which the Member has an insurable interest;
 2. Improvements and betterments to buildings or structures in which the Member has an insurable interest. Such improvements and betterments shall be considered real property;
 3. Personal property, other than motor vehicles, of officers and employees of the Member;
 4. Personal property of others in the care, custody and control of the Member, which the Member is under obligation to keep insured or self-insured for physical loss or damage of the type self-insured against under this Coverage Document;
 5. Contractor's and vendor's interests in property covered to the extent of the Member's liability imposed by law or assumed by written contract prior to the date of direct physical loss or damage. However, such interests will not extend to any time element coverage provided by this Coverage Document.
- B. **PROPERTY EXCLUDED:** This Coverage Document does not self-insure against loss or damage to:
1. Currency, money, notes, securities, stamps, furs, jewelry, precious metals, precious stones, and semi-precious stones. This exclusion does not apply to precious metals and precious stones used by the Member for industrial purposes;
 2. **Land**, land values, any substance in or on Land, or any alteration to the natural condition of the **Land**;
 3. Water, except water which is normally contained within any type of tank, piping system or other process equipment;
 4. Standing timber, growing crops, plants, lawns, trees, shrubs, or animals;
 5. Drainage systems, pavements or roadways;
 6. Vehicles licensed for highway use, watercraft, aircraft, and railroad rolling stock;
 7. Property sold by the Member under conditional sale, trust agreement, installment plan or other deferred payment plan after delivery to customers;
 8. Property in transit, except expressly as provided elsewhere in this Coverage Document;
 9. Underground mines or mining shafts, any property, equipment, or mining property located below the surface of the ground;
 10. Offshore oil rigs, platforms and property contained therein or thereon;
 11. Satellites and spacecraft while on the launch pad, or after time of launch;

12. Dams, dikes, bridges, tunnels, reservoirs and canals;
13. Docks, piers and wharves;
14. Transmission and distribution lines of every type and description; except when located on the Self-Insured premises or within one-thousand (1000) feet thereof;
15. Personal property in the care, custody, and control of the Member when the Member is acting as a bailee, a warehouseman, or a carrier for hire.

SECTION IV — VALUATION

Except as otherwise provided in this Paragraph, adjustment of loss or damage under this Coverage Document shall be valued at the cost to repair or replace (whichever is less) at the time and place of the loss with materials of like kind and quality, without deduction for depreciation and obsolescence. The Member may elect to rebuild on another site, provided that, such rebuilding does not increase the amount of loss or damage that would otherwise be payable to rebuild at the same site. Property that is not repaired or replaced within two (2) years after the date of loss (unless such requirement is waived by the Fund in writing) will be valued at Actual Cash Value at the time and place of the loss.

Unless otherwise amended hereon, the property, as described below, will be valued as follows:

- A. Stock in process will be valued at the cost of raw materials and labor expended plus the proper proportion of overhead charges.
- B. Finished goods manufactured by the Member will be valued at the regular cash selling price at the location where the loss occurs, less all discounts and charges to which the merchandise would have been subject had no loss occurred.
- C. Raw materials, supplies and other merchandise not manufactured by the Member will be valued at the replacement cost.
- D. **Valuable Papers and Records** will be valued at the cost to replace or restore the property with like kind and quality including the cost to research, gather and assemble information. If not replaced, the Fund will only pay the blank value of the papers or records.
- E. **Electronic Data, Media and Hardware** will be valued at the cost to replace or restore the property with like kind and quality including the cost to research, gather and assemble information. If not replaced, the Fund will only pay the value of the blank media.
- F. Jigs and fixtures, dies, small tools, patterns, employees' personal property and personal property of third parties, the replacement cost if replacement cost values have been reported to the Fund and if actually replaced; otherwise the actual cash value with proper deduction for depreciation and obsolescence; [but not to exceed the cost to repair or replace the property with material of like kind and quality].
- G. Leasehold improvements and betterments will be valued as follows;
 1. If repaired or replaced at the expense of the Member within two (2) years after the date of the loss, the cost to repair or replace the damaged improvements and betterments;
 2. If not repaired or replaced within two (2) years after the date of the loss, a proportion of the Member's original cost:

The Fund will determine the proportionate value as follows:

 - a. Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - b. Divide the amount determined in Subparagraph a. above by the number of days from the installation of improvements to the expiration of the lease.

If the Member's lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure; or

3. Nothing if others pay for repairs or replacement.

H. **Fine Arts** will be valued as follows:

1. If there is no Agreed Value on file with the Fund, then the lesser of:
 - a. The cost to repair or replace the **Fine Art**, or
 - b. The appraised value which will be determined as of the time of the loss.
2. If there is an Agreed Value on file with the Fund, then the Agreed Value on file with the Fund.

I. Accounts Receivable will be valued at the amount owed the Member which the Member is unable to collect from customers, and shall include:

1. Any collection expenses over and above the normal collection costs;
2. Interest charges on any loan to offset impaired collections pending repayment of such sums that cannot be collected; and
3. Other reasonable and necessary expenses incurred by the Member to recreate Accounts Receivable Records.

Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts shall be deducted in determining the recovery hereunder.

After payment of loss by the Fund, all amounts recovered by the Member on Accounts Receivable for which the Member has been paid will belong to and will be paid to the Fund by the Member up to the total amount of loss paid by this Fund. All recoveries in excess of such amounts will belong to the Member.

In the event it is possible to reconstruct the Member's Accounts Receivable Records after they have been physically lost or damaged, so that no shortage in collection of Accounts Receivable is sustained, the Fund shall only be liable for the costs of the material and the time required to reconstruct such records, with the exercise of due diligence and dispatch, but only to the extent that such amounts are not covered by any other insurance or self-insurance.

J. Property for Sale: If, at the time of the loss, any real property is being offered for sale, the loss or damage to such property will be valued at the lesser of:

1. The cost to repair or replace the damaged property, or
2. The price at which the property is offered for sale less the market value of the **Land**.

K. Property in Transit: In case of loss, the basis of adjustment shall be:

1. Property shipped to or for the account of the Member shall be valued at the actual invoice to the Member, together with such costs and charges as may have accrued and become legally due on such property;
2. Property which has been sold by the Member and has been shipped to or for account of the purchaser (if covered hereunder) is valued at the amount of the Member's selling invoice, including prepaid or advanced freight;
3. Property of others not under invoice shall be valued at the actual market value at the point of destination on the date of the **Occurrence**, less any charges saved which would have become due and payable upon delivery at destination; or
4. Property of the Member not under invoice shall be valued in accordance with the valuation provisions of this Coverage Document applying at the location from which such property is being

transported, less any charges saved which would have become due and payable upon delivery at such destination.

L. Contractor's equipment shall be valued at actual cash value, unless an agreed value applies.

M. For all other property: At replacement cost with material of like kind and quality if actually replaced; otherwise, the Actual Cash Value, but not to exceed replacement cost.

With respect to Subparagraph A. through M., inclusive, unless otherwise specifically stated, the Fund will compute the valuations at the time and place of the loss.

SECTION V — TIME ELEMENT COVERAGE GROSS EARNINGS

This Coverage Document is extended to cover the actual loss sustained by the Member during the Period of Interruption directly resulting from a Covered Cause of Loss to Self-Insured Property.

A. **ACTUAL LOSS SUSTAINED:** In the event the Member is prevented from producing goods or from continuing its business operations or services and is unable:

1. To make up lost production within a reasonable period of time (not to be limited to the period during which production is interrupted), or
2. To continue business operations or services,

All through the use of any property or service owned or controlled by the Member, or obtainable from other sources, whether the property or service is at a Self-Insured **Location** or through working extra time or overtime at any other substitute location(s), including any other location(s) acquired for the purpose, then the Fund shall be liable, subject to all other conditions of this Coverage Document not inconsistent herewith for the actual loss sustained of the following during the Period of Interruption:

1. **GROSS EARNINGS** less all charges and expenses which do not necessarily continue during the interruption of production or suspension of business operations or services. For the purpose of this coverage, **GROSS EARNINGS** means:
 - a. For manufacturing operations: The net sales value of production less the cost of all raw stock, materials and supplies utilized in such production; or
 - b. For mercantile or non-manufacturing operations: The total net sales less cost of merchandise sold, materials and supplies consumed in the operations or services rendered by the Member;
 - c. Plus all other earnings derived from the operation of the business.

In determining net sales, in the event of loss hereunder, for mercantile or non-manufacturing operations, any amount recovered under Property Damage policies for loss or damage to or destruction of merchandise shall be included as though the merchandise had been sold to the Member's regular customers.

In determining the amount of loss payable under this coverage, due consideration shall be given to the experience of the business before the Period of Interruption and the probable experience thereafter had no loss occurred, and to the continuation of only those normal charges and expenses that would have existed had no interruption of production or suspension of business operations or services occurred.

There is no coverage for any portion of the Member's Ordinary Payroll expense unless a specified number of days for Ordinary Payroll is shown in Section I.E.22. In such case, the Fund will pay Ordinary Payroll for that number of days only. Ordinary Payroll means the entire payroll expense for all employees of the Fund except officers, executives, department managers, employees under contract, and other essential employees.

2. **EXPENSE TO REDUCE LOSS:** Expenses, over and above normal operating expenses, necessarily incurred by the Member in making up lost production or in reducing loss otherwise payable under this coverage are covered hereunder, but in no event shall this Fund be liable for an amount greater than that for which it would have been liable had the Member been unable to make up any lost production or to continue any business operations or services.

B. PERIOD OF INTERRUPTION: In determining the amount payable under this coverage, the Period of Interruption shall be:

1. The period from the time of direct physical loss or damage self-insured against by this Coverage Document to the time when, with the exercise of due diligence and dispatch, either:
 - a. normal operations resume, or
 - b. physically damaged buildings and equipment could be repaired or replaced and made ready for operations under the same or equivalent physical and operating conditions that existed prior to such loss or damage,

whichever is less. Such period of time shall not be cut short by the expiration or earlier termination date of the Coverage Document.

2. In addition, if applicable, such time as may be required with the exercise of due diligence and dispatch:
 - a. To restore stock in process to the same state of manufacture in which it stood at the time of the initial interruption of production or suspension of business operations or services; or
 - b. To replace physically damaged or destroyed mercantile stock necessary to resume operations.
 - c. To replace raw materials and supplies in order to continue operations.

However, the inability to procure destroyed mercantile stock or suitable raw materials and supplies to replace similar stock or materials and supplies physically damaged or destroyed shall not increase the Period of Interruption.

3. **For Property under construction:** The time period between the anticipated date of substantial completion had no covered loss occurred and the actual date of completion. In calculating the amount of loss, due consideration will be given to the actual experience of the business compiled after substantial completion and start-up.

The Period of Interruption does not include any additional time:

1. Required for restaffing or retraining employees, or
2. Due to the Member's inability to resume operations for reasons other than those enumerated in B.2.a. through B.2.c., inclusive, above, or
3. Required for making change(s) to the buildings, structures, or equipment for any reason except as provided in the Demolition and Increased Cost of Construction coverage, if such coverage is provided by this Coverage Document.

C. ADDITIONAL TIME ELEMENT COVERAGES

1. **EXTRA EXPENSE:** This Coverage document is extended to cover the loss sustained by the Member for Extra Expense during the Period of Interruption resulting from direct physical loss or damage from a Covered Cause of Loss to Self-Insured Property utilized by the Member. Extra Expense means:
 - a. The reasonable and necessary Extra Expense incurred to temporarily continue as nearly normal as practicable the conduct of the Member's business; and
 - b. The reasonable and necessary extra costs of temporarily using property or facilities of the Member or others.

The Member agrees to use any suitable property or service owned or controlled by the Member or obtainable from other sources in reducing the Business Income and Extra Expense incurred under this Coverage Document.

2. RENTAL VALUE: As respects Self-Insured Property held for rental to others, this Coverage Document is extended to cover the loss sustained during the Period of Interruption but not exceeding the reduction in Rental Value less charges and expenses which do not necessarily continue.

Rental Value means the sum of:

- a. The total anticipated gross rental income from tenant occupancy of the described property as furnished and equipped by the Member including taxes, rent based on percentage of sales, and other charges paid by tenants in respect of the leased premises; and
- b. The amount of all charges which, by the terms of a written lease, are the legal obligation of the tenant(s) and which would otherwise be obligations of the Member; and
- c. The fair rental value of any portion of such property which is occupied by the Member.

Due consideration will be given to the historic rental expenses prior to the loss and the probable expenses thereafter.

3. ROYALTIES: This Coverage Document is extended to cover loss of income sustained by the Member under a royalty, licensing fee, or commission agreement between the Member and another party during the Period of Interruption arising out of direct physical loss or damage by a Covered Cause of Loss during the term of this Coverage Document to real or personal property of such other party.
4. SOFT COSTS: For Property under Construction, this Coverage Document is extended to cover Soft Costs incurred by the Member during Period of Interruption (described in Section V., Paragraph B. above). Such Soft Costs must be attributable to the loss.

The Fund will pay reasonable and necessary Soft Costs over and above those costs which would have been incurred by the Member during the Period of Interruption had no loss occurred. Soft Costs means:

- a. The amount of actual interim or construction financing interest, including loan fees and other onetime charges incurred to negotiate a new construction loan and/or extend the existing one;
 - b. Realty taxes and ground rent if any;
 - c. Advertising and promotional expenses;
 - d. Cost of additional commissions;
 - e. Architects, surveyors, legal, consulting engineers, or other fees not otherwise covered under this Coverage Document;
 - f. Project administration expense, but not including development fees;
 - g. Insurance premiums or Self-Insurance contributions and
 - h. Finder's fee refunds.
5. CONTINGENT TIME ELEMENT: If direct physical loss or damage to the real or personal property of a direct supplier or direct customer of the Member is damaged by a Covered Cause of Loss under this Coverage Document, and such damage:
- a. wholly or partially prevents any direct supplier to the Member from supplying their goods and/or services to the Member, or
 - b. wholly or partially prevents any direct customer of the Member from accepting the Member's goods and/or services;

Then this Coverage Document is extended to cover the actual loss sustained by the Member during the Period of Interruption with respect to such real or personal property. The property of the supplier or customer which sustains loss or damage must be of the type of property which would be Self-Insured Property under this Coverage Document.

This coverage applies to the Member's direct suppliers or direct customers located in the COVERAGE TERRITORY.

6. **INTERRUPTION BY CIVIL OR MILITARY AUTHORITY:** This Coverage Document is extended to cover the actual loss sustained during the period of time when access to the Member's real or personal property is prohibited by an order of civil or military authority, provided that such order is a direct result of a Covered Cause of Loss to real property not self-insured hereunder. Such period of time begins with the effective date of the order of civil or military authority and ends when the order expires, but no later than the number of days shown in Section I., Subparagraph E.6. In no event shall the Fund pay more than the Sublimit shown in Section I., Subparagraph E.6.
7. **INGRESS & EGRESS:** This Coverage Document is extended to cover the actual loss sustained during the period of time when ingress to or egress from the Member's real or personal property is prohibited as a direct result of a Covered Cause of Loss to real property not self-insured hereunder. Such period of time begins on the date that ingress to or egress from real or personal property is prohibited and ends when ingress or egress is no longer prohibited, but no later than the number of days shown in Section I., Subparagraph E.17. In no event shall the Fund pay more than the Sublimit shown in Section I., Subparagraph E.17.
8. **EXTENDED PERIOD OF INDEMNITY:** Coverage is provided for such additional length of time as is required to restore the Member's business to the condition that would have existed had no loss occurred, commencing with the later of the following dates:
 - a. the date on which the liability of the Fund for loss or damage would otherwise terminate; or
 - b. the earliest date on which either normal operations resume, or repair, replacement, or rebuilding of the property that has been damaged is actually completed;

but in no event for a period of time exceeding the number of days specified in Section I., Subparagraph E.13. starting with later of a. or b. above. This Extended Period of Indemnity does not apply to any Additional Time Element Coverages.

With respect to Section V., Subparagraphs C.6. and C.7., if a Covered Cause of Loss results in coverage under both Additional Time Element Coverages, the Fund will only pay for loss under one of the two Additional Time Element Coverages, whichever the First Named Covered Party (The Member) selects.

D. ADDITIONAL EXCLUSIONS: Section V — Time Element Coverage does not cover:

1. **IDLE PERIODS** - Any loss during any period in which goods would not have been produced, or business operations or services would not have been maintained, for any reason other than direct physical loss or damage from a Covered Cause of Loss to which this coverage applies;
2. **REMOTE LOSS** —
 - a. Any increase in loss due to the suspension, cancellation, or lapse of any lease, contract, license or order,
 - b. Any loss due to fines or damages for breach of contract or for late or non-completion of orders or penalties of whatever nature, or
 - c. Any increase in loss due to interference at the Member's premises by strikers or other persons with rebuilding, repairing, or replacing the property damaged or destroyed, or with the resumption or continuation of business, or with the re-occupancy of the premises,

Nor shall the Fund be liable for any other consequential or remote loss, other than as specifically provided in this Section V;

3. **FINISHED PRODUCTS** - Any loss resulting from loss or damage to finished products manufactured by the Member nor for the time required for their reproduction;

4. TRANSIT - Any loss resulting from loss or damage to property in transit.

SECTION VI — ADDITIONAL COVERAGES

The following additional coverages are subject to the terms and conditions of this Coverage Document, including, the deductibles and sublimits of self-insurance corresponding to each such additional coverage shown in Section I. These sublimits are part of, and not in addition to sublimits and limits of self-insurance of this Coverage Document, including, but not limited to, the **Earth Movement, Flood**, or Named Storm Sublimits of Self-Insurance provided herein, if applicable.

A. **ACCOUNTS RECEIVABLE:** This Coverage Document covers any shortage in the collection of Accounts Receivable directly resulting from direct physical loss or damage self-insured by this Coverage Document to Accounts Receivable Records.

The Fund shall be liable for:

1. Any collection expenses over and above the normal collection costs.
2. Interest charges on any loan to offset impaired collections pending repayment of such sums that cannot be collected.
3. Other reasonable and necessary expenses incurred by the Member to recreate Accounts Receivable Records.

Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts shall be deducted in determining the recovery hereunder.

All amounts recovered by the Member on Accounts Receivable outstanding at the time of such loss or damage shall belong and be paid to the Fund by the Member up to a total not exceeding the amount of loss paid hereunder, but all recoveries exceeding that amount shall be for and belong to the Member.

In the event it is possible to reconstruct the Member's Accounts Receivable Records after they have been physically lost or damaged, so that no shortage in collection of Accounts Receivable is sustained, the Fund shall be liable only for the cost of blank Accounts Receivable Records and the time required, with the exercise of due diligence and dispatch, to reestablish and/or reconstruct such Accounts Receivable Records, but only so far as not covered by any other insurance or self-insurance.

This extension of coverage does not apply to loss due to:

1. Bookkeeping, accounting or billing errors and omissions; and
 2. Alteration, falsification, manipulation, concealment, destruction, or disposal of Accounts Receivable Records committed to conceal the wrong giving, taking, obtaining or withholding of money, securities or other property, but only to the extent of such wrongful giving, taking, obtaining or withholding.
- B. **DEBRIS REMOVAL:** This Coverage Document covers the necessary and reasonable expense of removal from the Self-Insured **Locations** of debris of Self-Insured Property remaining as a result of direct physical loss or damage self-insured against under this Coverage Document when the Member gives written notice of such direct physical loss or damage to the Fund, no later than 180 days after the loss. There is no liability for the expense of removing contaminated or polluted uninsured property, nor the Pollutant or Contaminant therein or thereon, whether or not the contamination results from a self-insured event.
- C. **DEMOLITION AND INCREASED COST OF CONSTRUCTION:** In the event of direct physical loss or damage covered under this Coverage Document that results in the enforcement of any law, ordinance, governmental directive or standard in effect at the time of loss or damage regulating the construction, repair or use and occupancy of the property, the Fund shall pay:
1. Under Demolition Coverage A: For the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building;

2. Under Demolition Coverage B: For the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property;
3. Under Demolition Coverage C: For the increased cost of repair or replacement of the damaged building and undamaged part of the same building, limited to the cost that would have been incurred in order to comply with the minimum requirements of such law or ordinance regulating the repair or replacement of the damaged building. However, this Fund shall not be liable for any such increased cost of construction unless the damaged building is actually rebuilt or replaced;

The Fund shall not be liable for any cost of demolition or increased cost of replacement, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating any form of contamination or pollution.

- D. **ELECTRONIC DATA, MEDIA and HARDWARE:** This Coverage Document is extended to cover direct physical loss or damage to **Electronic Data, Media and Hardware**.
- E. **ERRORS OR OMISSIONS:** This Coverage Document is extended to cover direct physical loss or damage at **Locations** within the Coverage Territory that are owned, leased or operated by the Member, if such loss or damage is not payable under this Coverage Document solely due to;
1. Any error or unintentional omission in the description of the address of the property whether made at the inception of the agreement period or subsequent thereto; or
 2. Failure through any error or unintentional omission to:
 - a. Include any **Location** of the Member at the inception of the Coverage Document; or
 - b. Report any newly acquired location before the period of automatic coverage provided under this Coverage Document for Newly acquired location(s) expires.

With respect to Subparagraphs 1. and 2. above, this Errors or Omissions Additional Coverage does not allow the Member or its representative to correct any value shown in the Statement of Values after a covered loss.

This Coverage Document covers such direct physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

It is a condition of this additional coverage that any error or unintentional omission be reported by the Member to the Fund when discovered.

There is no coverage under this Paragraph for loss or damage which is covered under Newly Acquired Property or Miscellaneous Unnamed **Locations** provisions of this Coverage Document.

- F. **FINE ARTS:** This Coverage Document is extended to cover direct physical loss or damage to **fine arts**. However, no coverage is provided for:
1. Breakage of art, glass, windows, statuary, sculptures, marble, glassware, porcelain, bric-a- brac, antique furniture; antique jewelry or similar fragile articles, unless such breakage is caused by a **Defined Peril** at the Self-Insured **Location**; or
 2. Loss or damage as a result of restoring, repairing, or retouching processes.
- G. **FIRE BRIGADE CHARGES AND EXTINGUISHING EXPENSES:** This Coverage Document covers the following expenses resulting from a Covered Cause of Loss:
1. Fire brigade charges and any extinguishing expenses which the Member incurs;
 2. Loss and disposal of fire extinguishing materials expended.

There is no coverage for any costs incurred as a result of a false alarm.

H. LEASEHOLD IMPROVEMENTS & BETTERMENTS: This Coverage Document is extended to cover the value of undamaged tenant's improvements and betterments when the Member's lease is cancelled by the Self-Insured tenant or lessor; acting under a valid condition of the lease due to direct physical loss or damage to building or personal property caused by or resulting from a Covered Cause of Loss at a Self-Insured **Location**. No sublimit of self-insurance applies to this additional coverage, but in no event, will the Fund be liable for an amount in excess of the applicable sublimit of self-insurance specified for the Leasehold Interest, if any.

I. LEASEHOLD INTEREST: If Self-Insured Property is: (1) rendered wholly or partially untenable by a Covered Cause of Loss during the Agreement period and (2) the Member's lease is canceled by a party, other than the Covered Party (The Member), or an entity with any common ownership of the Covered Party (The Member), in accordance with the conditions of the lease or as a result of a statutory requirement of the appropriate jurisdiction in which the damaged or destroyed Self-Insured Property is located, then this Coverage Document is extended to cover **The Interest of the Member as Lessee** or **The Interest of the Member as Lessor**, whichever is applicable, but only for the first three months succeeding the date of the loss and the **Net Lease Interest** shall be paid for the remaining months of the unexpired lease.

Recovery under this additional coverage shall be the pro rata proportion from the date of loss to expiration date of the lease (to be paid without discount) on the Member's interest in:

1. The amount of bonus paid by the Member for the acquisition of the lease not recoverable under the terms of the lease;
2. Improvements and betterments to real property which are not covered under any other section of this Coverage Document; and
3. The amount of advance rental paid by the Member and not recoverable under the terms of the lease.

Definitions: The following terms, wherever used in this section shall mean:

1. **The Interest of the Member as Lessee** is defined as:
 - a. the excess of the rental value of similar premises over the actual rental payable by the lessee (including any maintenance or operating charges paid by the lessee) during the unexpired term of the lease; and
 - b. the rental income earned by the Member from sublease agreements, to the extent not covered under any other section of this Coverage Document, over and above the rental expenses specified in the lease between the Member and the lessor.
2. **The Interest of the Member as Lessor** is defined as the difference between the rents payable to the lessor under the terms of the lease in effect at the time of loss and the actual rent collectible by the lessor during the unexpired term of the lease provided the lease is canceled by the lessee, to the extent not covered under any other section of this Coverage Document.
3. **Net Lease Interest** is defined as that sum, which placed at 6% interest compounded annually will be equivalent to **The Interest of the Member as Lessee or Lessor**.

The Fund shall not be liable for any increase of loss which may be occasioned by the suspension, lapse or cancellation of any license or by the Covered Party (The Member) exercising any option to cancel the lease. Furthermore, the Covered Party (The Member) shall use due diligence including all things reasonably practicable to diminish loss under this additional coverage.

J. LIMITED POLLUTION COVERAGE: This Coverage Document is extended to cover the reasonable and necessary additional expense incurred to remove, dispose of, or clean-up the actual presence of **Pollutants or Contaminants** from **Land** or water at a Self-Insured **Location** when such **Land** or water is contaminated or polluted due to a Covered Cause of Loss at the Self-Insured **Location**. There will be no coverage unless such expenses are reported to the Fund within 180 days after the date of such Covered Cause of Loss.

K. **NEWLY ACQUIRED PROPERTY:** This Coverage Document covers real or personal property of the type self-insured under this coverage document that is rented, leased, or purchased by the Member after the inception date of this Coverage Document. Coverage under this additional coverage ceases at the earlier of the following dates:

1. Ninety (90) days from the date of acquisition or lease of such property or such other number of days shown in Section I for Newly Acquired Property, if applicable, or
2. When the newly acquired location is bound by the Fund; or
3. The Fund notifies the Member that it will not bind the newly acquired location.

There is no coverage for any property that is partially or wholly insured or self-insured under any other insurance or self-insurance.

There is no coverage under this Paragraph for loss or damage which is covered under the Error or Omissions or Miscellaneous Unnamed **Locations** provisions of this Coverage Document.

L. **PAIRS OR SETS:** If two or more components or parts are necessary for a whole or complete product, then this Coverage Document covers reduction in value of self-insured components or parts of products due to direct physical loss or damage self-insured against by this Coverage Document to the other self-insured components or parts of such products.

No sublimit of self-insurance applies to this additional coverage.

M. **PROFESSIONAL FEES:** This Coverage Document is extended to include reasonable and necessary expenses incurred by the Member to the Member's accountants, architects, auditors, engineers, or other professionals or the Member's employees to prepare and certify particulars or details of the Member's claim required by the Fund resulting from a Self-Insured loss under this Coverage Document for which the Fund has accepted liability. The Fund will not pay for expenses incurred by the Member to utilize the services of property managers, attorneys, public adjusters, insurance agents or brokers, or any of their subsidiaries, related or associated entities. The Fund will not pay any fees or costs for consultation on coverage or negotiation of claims.

N. **PROPERTY REMOVED FROM SELF-INSURED LOCATIONS:** This Coverage Document covers direct physical loss or damage to personal property of the Member by a Covered Cause of Loss at any **Location** within the Coverage Territory when removed from the Self-Insured **Locations** for the purpose of being repaired or serviced, excluding:

1. Personal property insured or self-insured under another Policy, Coverage Document or floater;
2. Personal property excluded under this Coverage Document; or
3. Personal property removed from the Self-Insured **Locations** for normal storage or processing or preparation for sale or delivery.

O. **SERVICE INTERRUPTION:** This Coverage Document is extended to cover physical loss or damage to Self-Insured Property and/or Time Element Coverage arising from a Covered Cause of Loss to: (1) incoming electrical, gas, water, or telecommunication equipment or outgoing sewer or (2) electrical, telecommunication, fuel, water, steam, refrigeration, or other service transmission lines, all situated outside the Self-Insured **Locations**.

There shall be no loss payable under this Additional Coverage unless the interruption exceeds the qualifying period shown in Section I., Subparagraph E.24. In such case, the loss shall be measured from date and time of the loss. With respect to any Time Element Coverage provided herein, the Period of Interruption ends when: (1) incoming electrical, gas, water, or telecommunication equipment or outgoing sewer or (2) electrical, telecommunication, fuel, water, steam, refrigeration, or other service transmission lines is restored.

The Sublimit set forth in Section I., Subparagraph E.24. applies to all loss or damage to Self-Insured Property and Time Element Coverage combined arising out of one Service Interruption. None of the Additional Time Element Coverages set forth in Section V., Paragraph C. apply to the Time Element Coverage provided herein.

P. SPOILAGE: This Coverage Document is extended to cover spoilage as a direct result of a Covered Cause of Loss. The Fund shall be liable for direct physical loss or damage to:

1. **Perishable goods** due to spoilage; or
2. **Perishable goods** due to contamination from the release of refrigerant including, but not limited to, ammonia.

If the Member is unable to replace the **perishable goods** before its anticipated sale, payment will be determined on the basis of the sales price of the **perishable goods** at the time of the loss, less discounts and expenses that otherwise would have applied. Otherwise payment will be determined in accordance with Section IV — Valuation of this Coverage Document.

Perishable goods means personal property:

1. Maintained under controlled conditions for its preservation, and
2. Susceptible to loss or damage if the controlled conditions change.

Q. TRANSIT: This Coverage Document is extended to cover personal property, not otherwise excluded by this Coverage Document, while such property is in transit.

It is agreed that coverage under this extension shall include the following:

1. Personal property shipped to customers on F.O.B., C & F, or similar terms. The Member's contingent interest in such shipments is admitted.
2. The interest of the Member in, and legal liability for personal property of others in the actual or constructive custody of the Member.
3. Personal property of others sold by the Member which the Member has agreed prior to loss to insure or self-insure during course of delivery.

It is agreed that the following additional exclusions apply to coverage as provided under this additional coverage;

1. Samples in the custody of salespersons or selling agents.
2. Property insured or self-insured under import or export ocean cargo policies.
3. Waterborne shipments via the Panama Canal or waterborne to and from the United States territories or possessions, Alaska, Puerto Rico, and Hawaii.
4. Shipments made by air unless via regularly scheduled airlines.
5. Property shipped by mail.
6. Property of others, including the Member's legal liability therefor, hauled on vehicles owned, leased, or operated by the Member when acting as a common or contract carrier as defined by the Interstate Commerce Commission Regulations or other state regulatory agencies.
7. Any transporting vehicle or conveyance.

This additional coverage attaches from the time the property leaves the original point of shipment for the commencement of transit and covers thereafter continuously in the due course of transit within the Coverage Territory until delivered at destination.

Coverage on export shipments not insured or self-insured under ocean cargo policies does not extend beyond the time when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not insured or self-insured under ocean cargo policies does not attach until after discharge from overseas vessels or aircraft.

This additional coverage does not cover or apply to delay, loss of market, or any Time Element coverage.

Permission is granted to the Member without prejudice to this self-insurance to accept the ordinary bills of lading used by carriers, including released and/or undervalued bills of lading and/or shipping or messenger receipts. The Member may waive subrogation against railroads under sidetrack agreements, but the Member shall not enter into any special agreement with carriers releasing them from their common law or statutory liability.

- R. **VALUABLE PAPERS AND RECORDS:** This Coverage Document is extended to cover **Valuable Papers and Records.**

SECTION VII — CONDITIONS

- A. **ABANDONMENT:** There can be no abandonment to the Fund of any property.
- B. **ADJUSTMENT OF LOSSES and FIRST NAMED COVERED PARTY (The Member) CLAUSE:** Loss or damage shall be adjusted with and payable to the First Named Covered Party (The Member), subject to any certificates of self-insurance on file with the Fund which require payment to a loss payee or mortgagee.

If this Coverage Document self-insures more than one entity, the First Named Covered Party (The Member) is authorized to act on behalf of all other Covered Parties with respect to their rights, obligations, and duties under this Coverage Document. Payment of loss or return contribution under this Coverage Document to the First Named Covered Party (The Member) shall satisfy the Fund's obligations with respect to all Covered Parties.

- C. **APPRAISAL:** If the Fund and the Member disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the replacement cost and actual cash value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
1. Pay its chosen appraiser; and
 2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, it is without prejudice to the Fund's rights under the terms and conditions of the Coverage Document and the Fund's right to deny the claim.

- D. **ASSIGNMENT:** The Member may not assign this Coverage Document without the Fund's prior written consent.
- E. **BRANDS AND LABELS:** If branded or labeled merchandise covered by this Coverage Document is physically damaged and the Fund elects to take all or any part of such merchandise at the value established by the terms of this Coverage Document, the Member may, at their own expense, stamp "SALVAGE" on the merchandise or its containers, or may remove or obliterate the brands or labels, if such stamp, removal or obliteration will not physically damage the merchandise, but the Member must re-label the merchandise or containers in compliance with the requirements of law.
- F. **CANCELLATION:**
1. This Coverage Document can be canceled by the First Named Covered Party (The Member) by providing the Fund with:
 - a. An advanced written request for cancellation stating when the cancellation shall be effective,
 2. This Coverage Document may be canceled by the Fund by giving to the Member at least 60 days written notice of cancellation or in the case of non-payment of contribution, at least ten (10) days' written notice of cancellation. Such notice may be accompanied with the unearned contribution, or if not included, the Fund shall return the unearned contribution upon demand by the First Named Covered Party (The Member).

3. The cancellation will be effective even if the Fund has not made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.
 4. If this Coverage Document is canceled, the Fund will send the First Named Covered Party (The Member) any contribution refund due. If the Fund cancels, the refund will be pro rata. If the First Named Covered Party (The Member) cancels the refund may be less than pro-rata. The cancellation will be effective even if the Fund has not made or offered a refund.
- G. **CONTROL OF DAMAGED MERCHANDISE:** The Member, exercising reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this Coverage Document are fit for normal intended use or consumption. No goods so deemed by the Member to be unfit for consumption shall be sold or otherwise disposed of except by the Member or with the Member's consent, but the Member shall allow this Fund any salvage obtained by the Member on any sale or other disposition of such goods. The Member shall have full right to the possession of and retain control of all goods involved in any loss under this Coverage Document.
- H. **CURRENCY:** Any amount of money specified in the Coverage Document, including Limits of Self-Insurance, Deductibles and Contribution shall be considered to be in the currency of the country in which the property is located. However, if the risk is located in a country other than the United States or Canada, then the Limits of Self-Insurance, Deductibles and Contribution specified shall be in United States funds.
- I. **DIVISIBLE CONTRACT:** Subject to Condition K., if the **Locations** described in this Coverage Document include two or more buildings or the contents of two or more buildings, the breach of any condition of this Coverage Document in respect to any one or more of the buildings self-insured or containing the self-Insured Property, shall not prejudice the right to recover for direct physical loss or damage occurring in any building self-insured or containing the Self-Insured Property where, at the time of such loss or damage, a breach of condition does not exist.
- J. **INSPECTION AND AUDIT:** The Fund, at all reasonable times during this Agreement period, shall be permitted but not obligated to inspect the property self-insured by this Coverage Document. Neither the Fund's right to make inspections nor the making thereof nor any report thereon shall constitute any undertaking by the Fund, on behalf of or for the benefit of the Member or others, to determine or warrant that such property is safe or healthful or that they comply with any law, rule or regulation.

The Fund may also examine and audit the Member's books and records at any reasonable time during the Agreement period and within one year after the Coverage Document termination, as long as such examination and audit relate to the subject matter of this Coverage Document.

- K. **MISREPRESENTATION AND FRAUD:** This entire Coverage Document shall be void if, whether before or after a loss, the Member has willfully concealed or misrepresented any material fact or circumstance concerning this self-insurance or the subject thereof, or the interest of the Member therein, or in case of any fraud, or false swearing by the Member relating thereto.
- L. **OTHER INSURANCE/EXCESS INSURANCE/UNDERLYING INSURANCE/SELF-INSURANCE:** In the event there is other insurance or self-insurance covering loss or damage self-insured under this Coverage Document, then this Coverage Document shall apply only as excess and in no event as contributory insurance or self-insurance (unless this Coverage Document is specifically written to be contributory insurance or self-insurance), and then only after all other insurance or self-insurance has been exhausted, whether or not such insurance or self-insurance is collectible. Permission is granted for the Member to purchase Excess Insurance or self-insurance over the limits provided by this Coverage Document, and underlying insurance or self-insurance on all or any part of the deductibles of this Coverage Document.
- M. **PROTECTION AND PRESERVATION OF PROPERTY:**
- In case of actual or imminent direct physical loss or damage by a Covered Cause of Loss, the expenses incurred by the Member in taking reasonable and necessary actions for the temporary protection and preservation of Self-Insured Property hereunder shall be added to the total direct physical loss or damage

otherwise recoverable under this Coverage Document, but shall be subject to the applicable deductible, sublimit of self-insurance and the **Coverage Document Limit**.

N. **REINSTATEMENT OF LIMITS:** Except for any Covered Cause of Loss which is subject to an annual aggregate limit or sublimit of self-insurance, payment of a claim will not reduce the amount payable under this Coverage Document for any subsequent covered loss.

O. **REQUIREMENTS IN CASE OF LOSS:** The Member shall:

1. Give prompt written notice of any loss or damage to the Fund,
2. Promptly contact the applicable authority having jurisdiction in the event a law has been broken, and promptly file a written report with such authority,
3. Protect the property from further loss or damage,
4. Separate the damaged and undamaged personal property,
5. Maintain such property in the best possible order, and
6. Furnish a complete inventory of the lost, destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value and amount of loss claimed,
7. Furnish all other documents, insurance policies or coverage documents that the Fund may reasonably require,
8. Allow the Fund to access and inspect any of the damaged or undamaged property, and
9. Submit to examination under oath at such times as may be reasonably required about any matter relating to this self-insurance or any claim;

Within sixty (60) days after the Fund's request, the Member shall provide the Fund with a proof of loss, signed and sworn to by the Member, stating the knowledge and belief of the Member as to the following:

1. The time and origin of the loss,
2. The interest of the Member and of all others in the property,
3. The value of each item thereof determined in accordance with the Valuation Provisions of this Coverage Document and the amount of loss thereto and all encumbrances thereon,
4. All other contracts of insurance or self-insurance, whether collectible or not, covering any of said property, and
5. Any changes in the title, use, occupation, location, possession or exposures of said property subsequent to the issuance of this Coverage Document, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss whether or not it then stood on leased ground.

P. **REVIEW OF VALUES:** The Member shall provide this Fund at Coverage Document inception and each subsequent anniversary date of this Coverage Document, a Statement of Values which consists of the current 100% Property and Time Element values for all Self-Insured **Locations**.

Such values shall be reported separately for each **Location**, with separate figures shown for each type of coverage at each **Location**. The property values shall be shown on a Replacement Cost Basis for property which is covered on a Replacement Cost Basis and on an Actual Cash Value basis for other property. The value of stock and supplies to be included in the property values shall be in accordance with the Valuation clause contained in this Coverage Document and shall be based on the approximate average of the stock and supplies on hand during the twelve months immediately preceding the annual review of values. Time Element values (if applicable) shall be forwarded in accordance with the terms of the applicable Time Element provisions.

Upon inception and at each anniversary date of this Coverage Document, the Annual Contribution shall be due and payable to the Fund. Receipt of said Statement of Values by this Fund shall be considered as authorization by the Member for contributions under this Coverage Document to be calculated.

The contribution for this Coverage Document is based upon the Statement of Values on file with the Fund, or attached to this Coverage Document.

- Q. **SALVAGE AND RECOVERIES:** All salvages, recoveries, and payments, excluding proceeds from subrogation and underlying self-insurance recovered or received prior to a loss settlement under this Coverage Document, shall reduce the loss accordingly.
- R. **SETTLEMENT OF CLAIMS:** The amount of loss for which the Fund may be liable shall be payable within thirty (30) days after proof of loss, as herein required, is received and accepted by the Fund and ascertainment of the amount of loss is made either by agreement between the First Named Covered Party (The Member) and the Fund or an amount is determined by binding Appraisal in accordance with the provisions of this Coverage Document.

The Fund shall have the option to take all, or any part of the property at the agreed or appraised value, or to repair, rebuild or replace the property physically lost or damaged with other of like kind and quality, within a reasonable time, on giving notice of its intention so to do within sixty (60) days after receipt of the proof of loss herein required.

- S. **SUBROGATION:** The Fund may require from the Member an assignment of all right of recovery against any party for loss to the extent that payment therefor is made by the Fund, but the Fund shall not acquire any rights of recovery which the Member has expressly waived in writing prior to loss nor shall such waiver in writing affect the Member's rights under this Coverage Document.

Any recovery as a result of subrogation proceedings arising out of an **Occurrence**, after expenses incurred in such subrogation proceedings are deducted, shall accrue to the Member in the proportion that the deductible amount and/or any provable uninsured loss amount bears to the entire provable loss amount.

The Member will cooperate with the Fund and, upon the Fund's request and expense will:

1. Attend hearings and trials;
 2. Assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses, and conducting suits.
- T. **SUIT AGAINST FUND:** No suit, action or proceeding for the recovery of any claim under this Coverage Document shall be sustainable in any court of law or equity unless the Member shall have fully complied with all the requirements of this Coverage Document, nor unless the same be commenced within twenty four (24) months next after the date of the loss, provided however, that if under the laws of the jurisdiction in which the property is located such time limitation is invalid, then any such claims shall be void unless such action, suit or proceedings is commenced within the shortest limit of time permitted by the laws of such jurisdiction.
- U. **SUSPENSION:** Upon the discovery of a dangerous condition with respect to **Equipment Breakdown** to any Self-Insured Property under this Coverage Document, any representative of the Fund may immediately suspend the self-insurance against loss from an Accident to such property or part thereof by giving written notice mailed or delivered to the Member at the address of the Member as specified in Section I, or at the location of such property. The self-insurance so suspended may be reinstated by the Fund, but only by an addendum issued to form a part of this Coverage Document. The Member shall be allowed the return of the unearned portion of the contribution paid for such suspended self-insurance, pro-rata for the period of suspension.
- V. **TERRITORIAL LIMITATIONS:** Payment of loss under this Coverage Document shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").
- W. **TITLES OF PARAGRAPHS:** The titles of the various paragraphs of this form (and of addenda included in this Coverage Document) are solely for reference and shall not in any way affect the provisions to which they relate.

- X. **VACANCY:** The Member has permission to cease business operations or to have any self-insured building remain vacant or unoccupied, provided that, fire protection, security and alarm services are maintained and written notice is given to the Fund prior to the one-hundred twentieth (120th) consecutive day of cessation of business operations, vacancy or lack of occupancy. The self-insured building is considered vacant or unoccupied when it does not contain adequate Self-Insured Property to conduct customary business operations, but this provision shall not apply to any time period when customary business operations are suspended due to circumstances that are usual to such business operations.

SECTION VIII — COVERAGE DOCUMENT DEFINITIONS

- A. **Aircraft or Vehicle Impact** means only physical contact of an aircraft, spacecraft, self-propelled missile, or objects falling therefrom, or vehicle or an object thrown up by a vehicle.
- B. **Collapse** means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
- C. **Defined Peril** means Fire; Lightning; **Explosion; Windstorm; Hail; Smoke; Aircraft or Vehicle Impact; Riot, Strike or Civil Commotion; Vandalism and Malicious Mischief; Collapse** (unless otherwise excluded under Section II — Perils Excluded, Subparagraph B.1.q.); or **Leakage From Fire Protection Equipment**.
- D. **Earth Movement** means any natural or manmade:
1. Earthquake, including any earth sinking, rising or shifting related to such event;
 2. Landslide, including any earth sinking, rising or shifting related to such event;
 3. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
 4. Earth sinking rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface;
 5. Shocks, tremors, mudslide, mud flow, rock falls, volcanic eruption, sinkhole collapse, subsidence; and includes tsunami.
- E. **Earth Movement Counties:** As referenced in this Coverage Document, designated Earthquake Zones shall be defined as all **Locations** situated within the States or Counties as specified below;
1. **Pacific Northwest Earthquake Zone Counties**
Washington: Clallam, Jefferson, King, Kitsap, Mason, Pierce, San Juan, Skagit, Snohomish, Thurston and Whatcom
 2. **New Madrid Earthquake Zone Counties**
Arkansas: Clay, Craighead, Crittenden, Cross, Greene, Jackson, Lawrence, Randolph, Sharp, Mississippi, Poinsett
Illinois: Alexander, Massac, Pulaski, Union, Williamson, Johnson, Pope, Saline, Jackson, Franklin, Perry, Hardin, Randolph, Monroe, St Clair, Washington, Clinton, Bond Madison, Jefferson
Indiana: Posey, Vanderburgh, Gibson, Warrick, Pike
Kentucky: Ballard, Carlisle, Fulton, Graves, Hickman, Livingston, McCracken, Marshall, Calloway
Mississippi: Desoto, Tunica, Marshall, Tate, Coahoma, Bolivar

Missouri: Bollinger, Butler, Cape Girardeau, Dunklin, Mississippi, New Madrid, Pemiscot, Scott, Stoddard, St. Louis, St Francois, St Charles, Jefferson, Franklin, Warren, Washington, Iron, Wayne,, Reynolds, Madison, St Genevieve and Perry

Tennessee: Crockett, Dyer, Haywood, Lake, Lauderdale, Obion, Shelby, Tipton, Gibson, Madison, Fayette, Hardeman

F. Electronic Data, Media and Hardware means data, messages, information, coding, programs, instructions or any other software stored on electronic, electromechanical, electromagnetic data processing or electronically controlled production equipment and distributed by means of a computer network or is produced in a format for use with a computer and/or hardware or software based computer operating systems, data processing equipment, microprocessors, integrated circuits, computer networks or other electronic equipment or similar device.

G. Equipment Breakdown means direct physical damage to Self-Insured Property that is the direct result of an Accident. Accident means a fortuitous event that causes direct physical loss or damage to Self-Insured Property. The event must be one of the following:

1. Mechanical breakdown, including rupture or bursting caused by centrifugal force;
2. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
3. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by the Member, or operated under the control of the Member;
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

H. Explosion: Explosion does not include loss or damage occasioned by or incident to **Explosion** in or of the following equipment owned, operated or controlled by the Member;

1. Steam boiler, steam turbines, steam engines, and steam pipes interconnecting any of the foregoing;
2. Moving or rotating machinery or parts thereof when such direct loss or damage is caused by centrifugal force or mechanical breakdown;
3. Combustion gas turbines;
4. Any products manufactured by the Member or other property attached thereto or forming or to form a part thereof undergoing pressure tests to the extent of the loss to such property.

Explosion will include loss or damage arising or resulting from;

1. The explosion of accumulated combustible gases or unconsumed fuel within the furnace of a boiler or pressure vessel, other than combustion gas turbines, or within the flues or passages which conduct the gases of combustion therefrom;
2. A combustion explosion outside of any equipment excluded above even though such combustion explosion may have been the direct result of the explosion or such excluded equipment.

The following are not explosions within the intent or meaning of this definition;

1. Electric arcing or any coincident rupture of electrical equipment due to such arcing;
2. Bursting or rupture caused by freezing;
3. Sonic shock waves, generally known as Sonic Boom;

4. Bursting, rupture or collapse of any safety disc, rupture diaphragm or fusible link.

I. **Fine Arts** means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit, excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, money and securities.

Fine Arts does not mean and does not include any item which would qualify as **Valuable Papers and Records**.

J. **Flood** means, whether natural or manmade, **Flood** waters, surface water, waves, tide or tidal water, overflow or rupture of a dam, levy, dike, or other surface containment structure, storm surge, the rising, overflowing or breaking of boundaries of natural or manmade bodies of water, or the spray from any of the foregoing, all whether driven by wind or not. A tsunami shall not be considered a Flood.

K. **Fungus, Mold(S), Mildew, Spores Or Yeast:**

Fungus includes, but is not limited to, any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including mold(s), rusts, mildews, smuts and mushrooms;

Mold includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produce mold(s);

Spore means any dormant or reproductive body produced by or arising or emanating out of any fungus, mold(s), mildew, plants, organisms or microorganisms,

L. **Land** means land except land for which values are reported and contributions are charged hereunder, such as dikes, levees, and other surface containment structures. Surface containment structures are not land to a depth of six inches below such surface containment structures.

M. **Leakage from Fire Protection Equipment** means direct physical loss or damage from:

1. Water or other substances discharged from within any part of the **Fire Protection Equipment** for the Self-Insured **Location** or for any adjoining **Locations**;
2. Collapse or fall of tanks forming a part of the **Fire Protection Equipment** or the component parts or supports of such tanks.

The term **Fire Protection Equipment** includes tanks, water mains, hydrants, or valves, and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include;

1. Branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
2. Any underground water mains or appurtenances located outside of the Self-Insured **Location** and forming a part of the public water distribution system;
3. Any pond or reservoir in which the water is impounded by a dam.

N. **Location** means the location as specified in the Statement of Values, but if not so specified, location means any building, yard, dock, wharf, pier or bulkhead or any group of the foregoing bounded on all sides by public streets, clear **Land** space or open waterways, each not less than fifty feet wide. Any bridge or tunnel crossing such street, space or waterway shall render such separation inoperative for the purpose of this definition.

O. **Miscellaneous Unnamed Location(s)** means a location that has not been included in the Statement of Values on file with the Fund and has not been reported to the Fund as may be

required in the Coverage Document provisions elsewhere.

There is no coverage under this Paragraph for loss or damage which is covered under the Error or Omissions or Newly Acquired Property provisions of this Coverage Document.

- P. **Occurrence** means any one loss, disaster, casualty, incident or series of losses, disasters, casualties or incidents, not otherwise excluded by this Coverage Document and arising out of a single event or originating cause and includes all resultant or concomitant self-insured losses. The **occurrence** must occur during the agreement period.

If more than one event for **Windstorm, Hail, Named Storm, Riot, Strike or Civil Commotion, Vandalism and Malicious Mischief, Earth Movement, Flood** or Terrorism covered by this Coverage Document occurs within any period of seventy-two (72) hours during the term of this Coverage Document, such covered events shall be deemed to be a single **Occurrence**. When filing proof of loss, the Member may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the time when the first loss occurs to the Self-Insured Property.

- Q. **Pollutants or Contaminants** means any solid, liquid, gaseous or thermal irritant or contaminant, including **smoke**, vapor, soot, fumes, acids, alkalis, chemicals and waste, which after its release can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property self-insured hereunder, including, but not limited to, bacteria, virus, or hazardous substances as listed in the Federal Water, Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, and Toxic Substances Control Act or as designated by the U. S. Environmental Protection Agency. Waste includes materials to be recycled, reconditioned or reclaimed.

- R. **Riot, Strike or Civil Commotion** means riot and civil commotion including;

1. Acts of striking employees while occupying the Self-Insured **Location**; and
2. Pilferage or looting occurring at the time and place of a riot or civil commotion.

- S. **Smoke** means loss or damage ensuing from a sudden and accidental release of **Smoke**. The peril of **Smoke** does not include loss or damage caused by **Smoke** from agricultural smudging or industrial operations.

- T. **Valuable Papers and Records** means documents that are written, printed, or otherwise inscribed. These include:

1. Books, manuscripts, abstracts, maps and drawings; film and other photographically produced records, such as slides and microfilm;
2. Legal and financial agreements such as deeds and mortgages;
3. Addressograph plates; and
4. Any electrically produced data such as printouts, punched cards, tapes or discs.

Valuable Papers and Records does not mean money and securities and converted data, programs or instructions used in data processing operations, including the materials on which the data is stored.

Valuable Papers and Records does not mean and does not include any item which would qualify as **Fine Arts**.

- U. **Vandalism and Malicious Mischief** means willful and malicious damage to, or destruction of, Self-Insured Property. **Vandalism and Malicious Mischief** does not include loss or damage caused by or resulting from theft, except for real property loss or damage caused by the breaking or exiting of burglars.

V. **Windstorm or Hail:** Direct action of wind or by the direct action of **hail**, whether accompanied by wind or not, but no liability is assumed under these perils for:

1. Loss or damage caused by or resulting from frost or cold weather, ice (other than **Hail**), snow or sleet, whether driven by wind or not;
2. Loss or damage to the interior of any building or structure, or the property inside the building or structure, caused by rain, snow, or dust, whether driven by wind or not, unless the building or structure first sustains wind or **hail** damage to its roof or walls through which the rain, snow, sand or dust enters;
3. Loss or damage caused when weight of snow, rainwater, ice or sleet is a contributing factor to the fall or collapse of a building or structure or any part thereof.

We hope it never happens, but...

If you suffer a property loss, please report the claim by calling:

1-800-588-0013

The attached document serves as a guide for providing information to our adjusters when reporting a claim. The more information you provide us, the better equipped we are to serve you.

PROPERTY TELEPHONE REPORTING GUIDE

ACCOUNT INFORMATION

Caller's phone number and extension

Caller's title and name

Location name and address

Location mailing address (if different from above)

Did the loss occur at the location address? (If no, address where loss occurred)

Member's name

Contract number

LOSS INFORMATION

Date and time of loss

Full description of loss (included specifics of where it occurred such as warehouse, stockroom, and department)

Did the loss involve:

- Building (real property) damage? If yes, description of damage to building. Is any interior section of the building now exposed to the outdoors and unprotected? Can the building be occupied? Do you have a written estimate or repair bill for the building? If yes, amount?
- Contents (personal property) damage? If yes, description of damage to contents. Do you have a written estimate or repair/replacement bill for the contents? If yes, amount?
- Only Glass or Sign damage?

Witnesses (names, addresses and phone numbers)

Authorities (name of authority and report/case number)

CONTACT INFORMATION

Contact name and phone numbers, best time to contact and where to contact

Additional notes/comments and customer specific information

IMPORTANT

- Advise if any other insurance or self-insurance is available to cover the loss. If so, provide name of insurance company, policy number and items covered.
- If loss was caused by product defect, provide product information such as manufacturer's name, make, model and serial number.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PROPERTY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

**ADDENDUM NO. 380
TIER 1 HIGH HAZARD WIND ZONES EXCLUSION ADDENDUM**

The following definition is added to SECTION VIII COVERAGE DOCUMENT DEFINITIONS:

Tier 1 High Hazard Wind Zones means the following wind zones:

TIER 1 HIGH HAZARD WIND ZONES	
State	Geographic Areas
Texas	Counties: Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Harris, Jackson, Jefferson, Kenedy, Kleberg, Liberty, Matagorda, Newton, Nueces, Orange, Refugio, San Patricio, Victoria, Willacy

It is further agreed that all **Tier 1 High Hazard Wind Zone** locations are excluded from coverage.

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ADDENDUM NO. 389

LIMITED FUNGUS, MOLD(S), MILDEW, SPORES OR YEAST

The following is added to SECTION VI-ADDITIONAL COVERAGES:

S. LIMITED FUNGUS, MOLD(S), MILDEW, SPORES OR YEAST

The Fund will pay for any loss or damage in the form of, caused by, contributed to or resulting from **fungus, mold(s), mildew or yeast**, or any spores or toxins created or produced by or emanating from such **fungus, mold(s), mildew or yeast** which the Member establishes is a direct result of a Covered Loss not otherwise excluded by the coverage document, provided that such **fungus, mold(s), mildew or yeast** loss or damage is reported to the Fund within 180 days from the date of such Covered Loss.

The Fund's total liability with respect to this coverage is limited to \$25,000 Per **Occurrence** Subject to an Annual Aggregate of \$250,000.

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ADDENDUM NO. 389a

**EXCLUSION OF LOSS DUE TO VIRUS, BACTERIA OR MICROORGANISM THAT INDUCE
PHYSICAL DISTRESS, ILLNESS OR DISEASE**

The following exclusion is added to this coverage document; supersedes any term, provision or addenda to the contrary in this coverage document; and applies notwithstanding such term, provision or addenda:

This coverage document excludes any and all loss, damage, cost, or expense of any nature whatsoever directly or indirectly caused by or resulting from the following, regardless of any other cause or event, whether or not insured or self-insured under this coverage document, contributing concurrently or in any other sequence thereto

Any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease, or the fear or threat (whether actual or perceived) of any such virus, bacteria or microorganism, including any and all loss directly or indirectly caused by any action or inaction of the Member or any action or order of a government undertaken in response to, or intended to detect, control, prevent, suppress, mitigate or remediate, the actual, suspected, or anticipated presence of any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease.

This exclusion does not apply to loss or damage caused by or resulting from moss or **fungus** (including **mold** and **mildew**), or any mycotoxins, **spores**, scents, or other by-products of fungi, if such loss or damage, including any exclusion thereof, is addressed in a separate provision elsewhere in this coverage document.

This exclusion supersedes any exclusion relating to pollutants or contaminants. Other coverage document provisions excluding coverage of loss due to virus, bacteria, or microorganism of a type other than that which induce or are capable of inducing physical distress, illness or disease remain in full force and effect.

All other terms and conditions of the coverage document remain unchanged.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
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**ADDENDUM NO. 391
WAR AND TERRORISM EXCLUSION ADDENDUM**

Notwithstanding any provision to the contrary within this self-insurance or any addenda thereto, it is agreed that this self-insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
2. Any act of terrorism.

For the purpose of this addendum, an act of terrorism means an act including, but not limited to, the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This addendum also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1. and/or 2. above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this self-insurance the burden of proving the contrary shall be upon the Member.

In the event any portion of this addendum is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

All other terms and conditions of the coverage document remain the same.

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**ADDENDUM NO. 393
DELETION OF PUERTO RICO ADDENDUM**

In consideration of no change in contribution, it is hereby agreed that **Section I-Coverages and Limits of Self-Insurance** is amended as follows:

- C. **COVERAGE TERRITORY:** Coverage under this coverage document applies to occurrences within the United States, its territories and possessions, and Canada, including their respective coastal waters.

All other terms and conditions remain the same.

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**ADDENDUM NO. 394
VALUATION ADDENDUM**

It is hereby agreed that the coverage document is amended as follows:

Section IV-VALUATION-Replacement Cost as respects Real and Personal Property
and EDP Except
Actual Cash Value as respects roofs that are 20 years or older;
Actual loss sustained as respects Time Element.

All other terms and conditions of the coverage document remain unchanged.

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**ADDENDUM NO. 395
SUBLIMITS ADDENDUM**

It is agreed that the Property coverage document is amended to read as follows:

E. SUBLIMITS OF SELF-INSURANCE:

3. Named Storm: Per **Occurrence** for the peril of Named Storm (a storm that has been declared by the National Weather Service to be a hurricane, typhoon, tropical cyclone, tropical storm or tropical depression) in Florida, regardless of the number of Coverages, **Locations** or Perils involved (including but not limited to, all **Flood** (however caused) wind, wind gusts, storm surges, tornados, cyclones, hail or rain). In the event covered loss or damage by **Flood** arises out of a Named Storm, the maximum amount the Fund will pay per **Occurrence** for all such loss or damage by **Flood** shall be the sublimits of self-insurance for **Flood**. However, if **Flood** is not covered, the maximum amount the Fund will pay per **Occurrence** for all such Loss or Damage by Named Storm shall exclude Loss or Damage by **Flood**.

All other terms and conditions of the coverage document remain unchanged.

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ADDENDUM NO. 397

WATERCRAFT AND DRONE ADDENDUM

This addendum modifies self-insurance provided under this coverage document.

Subparagraph B.6. PROPERTY EXCLUDED of SECTION III-SELF-INSURED PROPERTY is deleted in its entirety and replaced with the following:

6. Vehicles licensed for highway use, watercraft, aircraft including drones, and railroad rolling stock, except:
 - a. With respect to watercraft only, when stored on land at a Self-Insured **Location**, limited to \$10,000 per occurrence.
 - b. With respect to drones only, when used by the Member as part of the Member's business operations, and only while on the ground at a Self-Insured **Location**, limited to \$50,000 per **Occurrence**.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
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ADDENDUM NO. 398

SPECIAL USE ANIMALS

This addendum modifies self-insurance provided under this coverage document.

The following is added to SECTION VI - ADDITIONAL COVERAGES:

T. SPECIAL USE ANIMALS

Notwithstanding Section III – SELF-INSURED PROPERTY, Paragraph B.4. **special use animals** shall be considered covered personal property and valued at the least of the following:

1. The reasonable and necessary cost to replace the **special use animal**, or
2. The agreed value, if any, on file with the Fund.

This coverage document is extended to cover **special use animals** in the Coverage Territory for injury from a Covered Cause of loss and/or from a **special use animal peril** for the following coverages:

1. **Death or Destruction:** The Fund will pay for death or destruction of a **special use animal** resulting from or made necessary only from a Covered Cause of Loss and/or **special use animal peril**.
2. **Veterinarian Fees:** The Fund will pay the actual veterinarian fees for a **special use animal** made necessary by a Covered Cause of Loss and/or **special use animal peril**. Any veterinarian fees paid by the Fund for an injury resulting from a Covered Cause of Loss or **special use animal peril** will be deducted from the Fund's total limit of self-insurance under this coverage. If the injury results in the death of the **special use animal** after receiving veterinarian treatment, any veterinarian fees paid by the Fund for the same injury will be deducted from the Fund's total limit of self-insurance under this coverage.

The following additional exclusions apply to this **Special Use Animal** Coverage Addendum:

1. Death or destruction from natural causes, unknown causes, medical procedures including surgery, inoculation or parturition, or abortion of **special use animals**;
2. Errors or omission in processing and/or failure on the Member's part to provide nourishment, medicine or sanitary conditions to **special use animals**;
3. Contamination of **special use animals**, food or medicine;

4. The intentional slaughter of **special use animals**;
5. Escape of **special use animals**, unless directly resulting from a Covered Cause of Loss or **special use animals peril**; or
6. Death or destruction of **special use animals** resulting from activities of any animal, unless resulting from a Covered Cause of Loss or **special use animal peril**.

The loss under this Additional Coverage must be in excess of the \$5,000 deductible amount stated in the Declarations. This coverage does not apply to loss or damage to **special use animals** that cannot be replaced with like kind or quality. For this coverage to apply, unless loss is due to theft or death, a licensed veterinarian must certify that the **special use animal** can no longer perform its **law enforcement process** duties. Any veterinarian fees paid by the Fund for the injury will be deducted from the Fund's total limit of self-insurance under this coverage.

The Fund's total limit of self-insurance with respect to this coverage for **special use animals** for any one **Occurrence** will not exceed the lesser of the Sublimit of Self-Insurance of \$100,000 or \$25,000 per **special use animal**.

The following definitions apply to this self-insurance:

1. **Law enforcement process** means a process that includes but is not limited to the actual physical activities of a law enforcement agency involved in the investigating, searching for and apprehending suspects; searching for illegal substances; searching for missing persons; crowd control; and/or training for these activities.
2. **Special use animal**: an animal which has received special training and is used for special tasks for which it has been trained. Mascots are not **special use animals**.
3. **Special use animal peril** means:
 - a. Accidental cause when and only when actively engaged in a **law enforcement process**;
 - b. Bacterial infections which result from the accidental ingestion of contaminated substances;
 - c. Collision, derailment, overturn, or sinking of a vehicle or vessel that is being used to transport the **special use animal**;
 - d. Theft, but excluding escape or mysterious disappearance.

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ADDENDUM NO. 399

OUTDOOR PROPERTY

The following is added to SECTION VI-ADDITIONAL COVERAGES:

U. OUTDOOR PROPERTY

This coverage document is extended to cover direct physical loss or damage to **Outdoor Property** at the Self-Insured **Location**, but only for loss or damage caused directly by a defined peril (other than **windstorm or hail**), not otherwise excluded.

Outdoor Property means lawns (including fairways, greens and tees), trees, shrubs, plants, walks, roadways, patios or other paved surfaces.

The **Fund's** total limit of self-insurance with respect to this coverage for any one **Occurrence** will not exceed the Sublimit of \$1,000,000 **Per Occurrence** subject to a maximum per item of \$1,000 for any one tree, shrub or plant, or \$250,000 per any other item.

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**ADDENDUM NO. 303
LOSS PAYABLE PROVISIONS**

For Covered Property in which both the **Member** and a Loss Payee shown below have an insurable interest, the **Fund** will:

1. Adjust losses with the **Member**; and
2. Pay any claims for **Loss** or damage jointly to the **Member** and the Loss Payee, as interests may appear.

Applies to the following listed items only:

Description of Covered Property

Caterpillar Wheel Loader 926M, Serial
#LTE04245 – \$154,429

Loss Payee's Name and Address

Caterpillar Financial Services Corp. and/
Its Assignee
2120 West End Avenue
Nashville, TN 37203-0001

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**ADDENDUM NO. 308a
GENERAL CHANGE ADDENDUM-ADDITIONAL SUBLIMITS FOR
COUNTIES**

It is hereby agreed that in consideration of the contribution charged, **SECTION I-
COVERAGES AND LIMITS OF SELF-INSURANCE, E. SUBLIMITS OF SELF-
INSURANCE** is amended as follows:

Personal Property of Inmates: **\$50,000 Per Occurrence**

Seized and/or Impounded Vehicles: **\$100,000 Per Occurrence** while in Member's Care,
Custody and Control. (Excludes over the road
coverage)

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
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**ADDENDUM NO. 351
CONTRACTOR'S EQUIPMENT COVERAGE DOCUMENT**

Read the entire coverage document *carefully* to determine rights, duties and what is and is not covered. Words and Phrases appearing in bold typeface have special meaning. Refer to Section H. Definitions.

A. Self-Insuring Agreement

In consideration of the Member's payment of the required contribution and subject to all of the terms and conditions contained in this coverage document and the Property Declarations, the Fund shall pay for **loss** to covered property caused by a Covered Cause of Loss which takes place during the **agreement period**.

B. Coverage

The Fund will pay for **loss** to Covered Property from any of the Covered Causes of Loss.

1. Covered Property means the Contractor's Equipment that is usual to the Member's business that the Member owns or is required to insure or self-insure that is:

a. Listed on the schedule which is a part of this coverage document or which is on file with the Fund.

2. Property Not Covered

Covered Property does not include:

a. Accounts, bills, currency, deeds, evidence of debt, money, notes or securities; designs, specifications, blueprints, mechanical drawings or other similar property.

b. Automobiles, motor trucks, tractors, trailers, or other vehicles designed and principally used to transport people or property upon the public ways unless included on the schedule of covered property;

c. Aircraft or watercraft.

d. Property while leased, rented or loaned to others unless the lessee has agreed, in writing, to be legally liable for such property or the property is operated by the Member's employee.

e. Property while waterborne, except in course of transportation on ferries, lighters or carfloats.

- f. Property located in cofferdams, underwater or underground unless in the course of transportation through tunnels.
- g. Building materials, supplies or property which has or is intended to become a permanent part of any structure.
- h. Contraband or property in course of illegal transportation or trade.

3. Covered Causes of Loss

Covered Causes of Loss means all risk of direct physical **loss** to Covered Property except those causes of **loss** listed in Section C. Exclusions.

4. Optional Coverage Extensions

a. Newly Acquired Equipment

If during the **agreement period** the Member acquires additional equipment of the type already covered by this coverage document, the Fund will cover such equipment for up to the number of days from the date of acquisition indicated on the Property Declarations or until the expiration of the coverage document, whichever comes first.

The Member agrees to report the year built, manufacturer, description, vehicle identification number and value of such equipment to the Fund within the number of days indicated on the Property Declarations from the date the Member acquired such equipment and to pay additional contribution calculated from that date. This coverage document will not cover such equipment if the Member does not report it to the Fund as required by this Coverage Extension.

The most the Fund will pay for **loss** under this extension is the amount shown on the Property Declarations for this extension.

b. Leased, Rented or Borrowed Equipment

If a limit of self-insurance is shown on the Property Declarations for Leased, Rented or Borrowed Equipment, this coverage document is extended to cover Contractors Equipment that the Member leases, rents or borrows from others while in the Member's care, custody or control for a period of time not to exceed 120 days; but the Fund only covers such property to the extent of the Member's legal liability for physical damage.

The most the Fund will pay for **loss** under this extension is the amount shown on the Property Declarations for this extension.

C. Exclusions

1. The Fund will not pay for **loss** if one or more of the following exclusions apply to the **loss**, regardless of other causes or events that contribute to or aggravate the **loss**, whether such causes or events act to produce the **loss**

before, at the same time as or after the excluded causes or events:

a. **Civil Authority**

Seizure, confiscation, destruction or quarantine of property by order of any civil authority. However, this exclusion does not apply to acts of destruction ordered by the civil authority and taken at time of a fire to prevent its spread if **loss** caused by such fire would be covered under this Coverage Document.

b. **Nuclear Hazard**

- 1) Any weapon employing atomic fission or fusion; or
- 2) Nuclear reaction or radiation, or radioactive contamination from any cause; but the Fund will pay for direct **loss** caused by or resulting from fire if such **loss** would be covered under this Coverage Document.

c. **War and Military Action**

- 1) War, including undeclared or civil war;
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority hindering or defending against any of these.

This exclusion also applies to **loss** or expense caused by or in connection with any action taken to prevent, defend or minimize an act or threat of an act described in 1, 2, or 3 above.

d. **Pollution**

The discharge, dispersal, seepage, migration, release or escape of **pollutants**.

2. The Fund will not pay for **loss** that is caused by, results from or in any way arises out of one or more of the following:

- a. The weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any crane under the operating conditions at the time of **loss**.
- b. Delay, loss of use, loss of market or any other remote or consequential loss.
- c. Mysterious disappearance of property or unexplained shortage or loss of property which is disclosed upon taking inventory.
- d. Dishonest acts by the Member, anyone else with an interest in the property, the Member's or their employees or authorized representatives or anyone

entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment. This exclusion does not apply to Covered Property while in the custody of carriers for hire or acts of destruction by the Member's employees, but theft by employees is not covered.

- e. Damage to Covered Property while being worked upon. But the Fund will pay for direct **loss** caused by resulting fire or explosion, if these causes of **loss** would have been otherwise covered under this coverage document.
- f. Artificially generated current creating a short circuit or other electrical disturbance within an article of Covered Property. This exclusion does not apply to **loss** caused by ensuing resulting fire or explosion, if these causes of **loss** would be otherwise covered under this Coverage Document.
- g. Voluntary parting with title to or possession of any Covered Property whether or not caused by any fraudulent scheme, trick or false pretense.
- h. Unauthorized instructions to transfer Covered Property to any person or place.
- i. Wear and tear, any quality in the property that caused it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation, structural, electrical or mechanical breakdown or failure; insects, vermin, rodents, corrosion, rust, dampness, cold or heat unless **loss** by a Covered Cause of Loss ensues, the Fund will then pay for the resulting **loss**.

D. Deductible

The Fund will not pay for **loss** in any one **occurrence** until the amount of the adjusted **loss** exceeds the applicable Deductible shown in the Property Declarations. The Fund will then pay the amount of the adjusted **loss** in excess of the Deductible, up to the applicable Limit of Self-Insurance.

E. General Conditions

1. Coverage Territory

The Fund covers property wherever located within the United States of America and Canada.

2. Valuation and Limit of Self-Insurance

The most the Fund will pay for **loss** in any one **occurrence** is the least of:

- 1) The **actual cash value** of the damaged Covered Property as of the time of the **loss**; or
- 2) The cost of repairing or replacing the damaged Covered Property with other property of like kind and quality as of the time of the **loss**; or
- 3) The value shown opposite the damaged Covered Property in the schedule on file with the Fund or listed on the Property Declarations; or
- 4) The Limit(s) of Self-Insurance shown on the Property Declarations of this Coverage Document.

However, the Fund will not deduct depreciation on the adjustment of a partial **loss** to an item when the **loss** is less than twenty percent (20%) of the **actual cash value** of the item.

3. Inspections and Surveys

- a. The Fund has the right to:
 - 1) Make inspections and surveys at any time;
 - 2) Give the Member reports on the condition the Fund finds; and
 - 3) Recommend changes.
- b. The Fund is not obligated to make any inspections, surveys, reports or recommendations and any such actions the Fund does undertake relates only to insurability and the contributions to be charged. The Fund does not make safety inspections. The Fund does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public.
- c. And the Fund does not warrant that conditions:
 - 1) Are safe or healthful; or
 - 2) Comply with laws, regulations, codes or standards.
 - 3) Paragraphs 1. and 2. of this condition apply not only to the Fund, but also any rating, advisory rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Examination of the Member's Books and Records

The Fund may examine and audit the Member's books and records as they relate to this coverage document at any time during the **agreement period** and up to three years afterward.

5. Transfer of the Member's rights and duties under this coverage document

The Member's rights and duties under this coverage document may not be transferred without the Fund's written consent except in the case of death of an individual named covered party.

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

6. Appraisal:

If the Member and the Fund disagree on the amount of **loss**, either may demand an appraisal of the **loss**. In this event, each party will select a

competent appraiser. The two appraisers will select a competent and impartial umpire, and failing for fifteen (15) days to agree upon such umpire, then on the request of the Member or the Fund, such umpire shall be selected by the judge of a court of record in the County and State in which the appraisal is pending. The appraisers will state separately the **actual cash value** and amount of **loss**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding.

Each party will:

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

If the Fund submits to an appraisal, the Fund will still retain the Fund's rights to deny the claim.

F. Loss Conditions

1. Duties in the event of loss

Compliance with the following duties is a condition precedent to coverage under this coverage document:

- a. **Notice** -In case of a covered **loss**, the Member must:
 1. give the Fund prompt notice including a description of the property involved (the Fund may request written notice); and
 2. give notice to the appropriate law enforcement agency when the act that causes the **loss** is a crime.
- b. **Protect Property** –The Member must take all reasonable steps to protect Covered Property at and after a covered **loss** to avoid further **loss**. The Fund will pay the reasonable costs incurred by the Member for necessary repairs or reasonable emergency measures performed solely to protect Covered Property from further damage after a covered **loss** to Covered Property. The Member must keep an accurate record of such costs. This is not an additional amount of self-insurance but rather is subject to the Limit of Self- Insurance shown in the Property Declarations. The Fund does not pay for such repairs or emergency measures performed on property which has not been damaged by a covered **loss**.
- c. **Proof of Loss** –The Member must send the Fund, within 60 days after the Fund's request, a signed, sworn Proof of Loss. This must include the following information:
 1. the time, place and circumstances of the **loss**;
 2. other policies of insurance or self-insurance that may cover the **loss**;
 3. the Member's interest and the interests of all others in property involved, including all mortgages and liens; and
 4. estimates, specifications, inventories and other reasonable information that the Fund may require to settle the **loss**.

- d. **Examination Under Oath**- The Member must submit to examination under oath in matters connected with the **loss** as often as the Fund reasonably requests. If more than one person is examined, the Fund has the right to examine each person separately and not in the presence of the other. These requests shall not constitute an admission of liability for any **loss** or damages.
 - e. **Records** –The Member must produce records including tax returns and bank microfilms of all cancelled checks relating to value, **loss** and expense and permit copies and extracts to be made of them as often as the Fund reasonably requests.
 - f. **Damaged Property** -If the damaged and undamaged property is in the Member’s care, custody and control, the Member must exhibit the property as often as the Fund reasonably requests and allow the Fund to inspect or take samples of the property.
 - g. **Voluntary Payments** –The Member must not, except at the Member’s own expense, voluntarily make payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage as provided in 1.b., above.
 - h. **Abandonment** –The Member may not abandon the property to the Fund without the Fund’s written consent. Additionally, the Member cannot abandon property to the Fund in order to claim a total **loss**.
 - i. **Cooperation** –The Member must cooperate with the Fund in performing all acts required by this coverage document.
2. **Self-Insurance Under More Than One Coverage** -if more than one coverage of this coverage document applies to the same **loss**, the Fund will pay no more than the actual **loss** or damage sustained.
3. **Insurance or Self-Insurance Under More Than One Policy** -The Member may have another Contractors Equipment Policy providing insurance or self-insurance on the same or similar terms and conditions as this coverage document. In that event, the Fund will pay the Fund’s share of the covered **loss**. The Fund’s share is the proportion that the applicable limit under this coverage document bears to the total limit of all policies covering that **loss** whether or not such other insurance or self-insurance is collectible.

If there is another policy covering the same **loss**, other than that described above, the Fund pays only for the amount of covered **loss** in excess of the amount due from that other policy, whether collectible or not, subject always to the applicable limit of this coverage document. This provision shall not apply to other policies which are purchased specifically to be excess over this coverage document, in which case, this coverage document shall be primary to such insurance or self-insurance.

4. **Loss Payment** – The Fund will pay or make good any **loss** covered under this Coverage Document within 30 days after:

- a. The Fund reaches agreement with the owner of the property; or
- b. The entry of final judgment or award.

The Fund will not be responsible for any part of a **loss** that has been paid by others.

G. Other conditions

1. Misrepresentation, Concealment or Fraud -This coverage is void as to the Member and any other covered party if, before or after **loss**;

- a. the Member or any other covered party has concealed or misrepresented:
 1. a material fact or circumstance that relates to this self-insurance or the subject thereof; or
 2. the Member's interest herein; or
- b. there has been fraud or false statements by the Member or any other covered party with regard to a matter that relates to this self-insurance or the subject thereof.

2. Subrogation and Recoveries -If the Fund pays for a **loss** and Covered Property is recovered, or payment is made by those responsible for the **loss**, the following provisions applies:

- a. the Member must notify the Fund promptly if the Member recovers property or receives payment;
- b. the Fund must notify the Member promptly if the Fund recovers property or receives payment;
- c. any recovery expenses incurred by either are reimbursed first;
- d. if the Fund pays for a **loss**, the Fund may require the Member to assign to the Fund, the Member's right of recovery against others. The Member must do all that is necessary to secure the Fund's rights. The Fund does not pay for a **loss** if the Member impairs this right to recover after a **loss**.

Any recovery or salvage on a **loss** will accrue entirely to the Fund's benefit until the sum paid by the Fund has been fully recovered.

3. Restoration of Limits -A **loss** the Fund pays under this coverage document does not reduce the applicable limits with respect to subsequent unrelated **loss(es)**.

4. Suit Against the Fund -No one may bring a legal action against the Fund under this coverage unless all of the terms of this coverage have been complied with and the suit has been brought within 2 years after the Member first has knowledge of the **loss**. If any applicable law makes this

limitation invalid, then suit must be commenced within the shortest period permitted by law.

No one has the right under this coverage to join the Fund as a party or otherwise bring the Fund into a legal action asking for damages from the Member. Legal action may be brought against the Fund to recover on a final judgment award or a settlement to which the Fund agrees in writing subject to the terms of this coverage.

5. Pair, sets or parts

a. Pair or Set.

In case of **loss** to any part of a pair or set the Fund may:

1. Repair or replace any part to restore the pair or set to its value before the **loss**; or
2. Pay the difference between the value of the pair or set before and after the **loss**.

b. Parts.

In case of **loss** to any part of Covered Property consisting of several parts when complete, the Fund will only pay for the value of the lost or damaged part.

6. Privilege to adjust with Owner

In the event of **loss** involving property of others in the Member's care, custody or control, the Fund has the right to:

- a. Settle the **loss** with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of the Member's.
- b. Provide a defense for legal proceedings brought against the Member. If provided, the expense of this defense will be at the Fund's cost and will not reduce the applicable Limit of Self-Insurance under this self-insurance.

7. Deletion of Covered Property after total Loss

Upon the payment of total **loss** for any covered property, such covered property shall be considered deleted from the coverage document. All contribution paid for coverage of such covered property shall be considered fully earned and no return contribution shall be made.

8. No Benefit to Bailee

No person or organization, other than the Member, having custody of Covered Property, will benefit from this self-insurance.

H. Definitions

1. **Actual Cash Value** means replacement cost less depreciation and

obsolescence.

2. **Loss** means accidental, external, direct physical destruction, **loss** or damage.
3. **Occurrence** means any one **loss**, disaster, casualty or series of **losses**, disasters, or casualties, arising out of one event. When the term applies to **loss** or **losses** from the perils of tornado, cyclone, hurricane, windstorm, hail, flood, earthquake, volcanic eruption, riot, riot attending a strike, civil commotion and vandalism and malicious mischief, one event shall be construed to be all **losses** arising during a continuous period of 72 hours.
4. **Agreement Period** means the **agreement period** shown in the Property Declarations of this coverage document unless cancelled in which case the **agreement period** shall end at the effective date of such cancellation.
5. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste, which after its release can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property self-insured hereunder, including, but not limited to, bacteria, fungi, virus, or hazardous substances as listed in the Federal Water, Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, and Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency. Waste includes materials to be recycled, reconditioned or reclaimed.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PROPERTY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY.**

ADDENDUM NO. 351a

CONTRACTOR'S EQUIPMENT

The Contractor's Equipment Coverage Document is amended as follows:

Section E. 2. Valuation and Limit of Self-Insurance, Subparagraph 1 is deleted and replaced with the following:

Replacement Cost on all Contractor's Equipment repaired, replaced or restored except, **Actual Cash Value** on all units manufactured September 1, 2013 or prior.

In addition, Section B. Coverage, Paragraph 3 Covered Causes of Loss, is extended to include Flood subject to the Sublimit of Self-Insurance shown in Section E. of the Property Coverage Document and subject to a \$10,000 deductible per **occurrence**.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PROPERTY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY**

**ADDENDUM NO. 360
AESTHETIC IMPAIRMENT ADDENDUM**

Limited Coverage – Aesthetic Impairment: The Fund will pay up to \$100,000 per **Occurrence** for physical harm considered an **Aesthetic Impairment** to **Covered Property** resulting from an otherwise covered **Loss**. In the event such **Aesthetic Impairment** affects **Covered Property** that is a metal roof, the **Member** may elect to waive its right to this payment and instead be paid for the **Aesthetic Impairment** at 50% of final repair or replacement cost of a metal roof up to \$1,000,000 per **Occurrence**, with no ACV payment available.

Aesthetic Impairment is not Damage but is physical harm that conspicuously and substantially disfeatures/disfigures **Covered Property** within an easily observable public view. Final determination of **Aesthetic Impairment** shall be at the sole discretion of the Fund.

All other terms and conditions of the coverage document remain unchanged.

**THIS ADDENDUM MODIFIES THE TEXAS POLITICAL SUBDIVISIONS
PROPERTY/CASUALTY JOINT SELF-INSURANCE FUND
PROPERTY COVERAGE DOCUMENT
PLEASE READ IT CAREFULLY**

**ADDENDUM NO. 394a
PVC ROOF ADDENDUM**

Section IV-VALUATION is amended to include: Actual Cash Value on all locations that have PVC single-ply membrane roofs. [This does not apply to TPO and EPDM (rubber) single-ply membrane roofs.]

All other terms and conditions of the coverage document remain unchanged.



TEXAS POLITICAL SUBDIVISIONS JSIF CYBER LIABILITY HIGHLIGHTS

GENERAL TERMS

Carrier	Chubb
Insured	TPS General Liability Members
A.M. Best Rating	A++ (Superior)
Consultants	Chubb Vendors & Partners: TPS utilizes an approved Chubb list for members Cyber Breach Coach, Forensics & Investigations, Notification & Monitoring and Public Relations to provide cyber management services.
Policy Number	EON G29012052 002
Territory	Territory is Worldwide unless amended with Excluded Countries
Deductible	\$25,000 for members with revenues below \$200,000,000 and \$50,000 for members with revenues above \$200,000,000
Annual Aggregate	\$1,000,000
Type	Claims-Made Policy

COVERAGE	LIMIT/WAITING PERIOD	COVERAGE DESCRIPTION
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First Party Coverage

CYBER INCIDENT RESPONSE FUND

Notification	Limit	\$1,000,000	Provides coverage for drafting notification letters, and to report and communicate as required with any regulatory, administrative or supervisory authority. Retaining call center and other related services for notification as required by law. Notifying a natural person whose PI has been wrongfully disclosed or otherwise compromised, including retaining a notification service.
Credit Monitoring	Limit		Provides credit monitoring, credit freezing, credit thawing, healthcare record monitoring (where available), social media monitoring, password management service, or fraud alert services.
Public Relations	Limit		Provides expenses related to retaining the services of a public relations or crisis communications firm for the purpose of protecting or restoring the reputation of, or mitigating financial harm to insured.
Forensics Investigation	Limit		Provides expenses for retaining the services of a third party computer forensics firm to determine the cause and scope of a cyber incident.
Criminal Reward	Limit		Provides any reasonable amount to an informant or information not otherwise available which leads to the arrest and conviction of a natural person or an entity responsible.

Limits for Non-Panel Providers \$250,000/\$250,000

BUSINESS INTERRUPTION LOSS & EXTRA EXPENSES

Business Interruption Loss & Extra Expenses	Limit	\$1,000,000	Provides coverage for continuing normal operating and payroll expense (net profit before tax) that would have been earned had no interruption in service of a Insured's computer system occurred.
	Waiting Period	12 Hours	

CONTINGENT BUSINESS INTERRUPTION LOSS & EXTRA EXPENSES

Contingent Business Interruption Loss & Extra Expenses	Limit	\$1,000,000	Provides coverage for continuing normal operating and payroll expense (net profit before tax) that would have been earned had no interruption in service of a shared computer system occurred.
	Waiting Period	12 Hours	

DIGITAL DATA RECOVERY

Data Recovery	Limit	\$1,000,000	Provides reasonable & necessary costs incurred by an insured to replace, restore, recreate, re-collect or recover digital data from written records or form partially or fully matching electronic records. Includes loss from fraudulent infiltration & manipulation of Telephone System.
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NETWORK EXTORTION THREAT

Network Extortion	Limit	\$1,000,000	Provides reasonable & necessary expenses incurred including money, cryptocurrencies (including Bitcoin), or other consideration surrendered as payment.
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CYBER CRIME

Social Engineering Fraud	Limit	\$100,000	Covers payment for loss of money or securities sustained directly from Social Engineering Fraud committed by a person purporting to be a vendor, client or an employee
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Third Party Liability Coverage

CYBER, PRIVACY & NETWORK SECURITY LIABILITY

Liability	Limit	\$1,000,000	Covers any error, misstatement, misleading statement, act, omission, neglect, breach of duty or other offense actually or allegedly committed or attempted by any insured.
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PAYMENT CARD LOSS

Payment Card Loss	Limit	\$100,000	Covers monetary assessments, fines, penalties, chargebacks, reimbursements, and fraud recoveries as a result of actual or alleged failure of payment card loss.
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REGULATORY PROCEEDINGS

Regulatory Proceedings	Limit	\$1,000,000	Covers regulatory fines of any civil monetary fine or penalty imposed by a federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.
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ELECTRONIC, SOCIAL & PRINT MEDIA LIABILITY

Electronic, Social & Print Media	Limit	\$1,000,000	Covers damages and claim expenses related to any error, misstatement, misleading statement, act, omission, neglect of breach of duty actually or allegedly committed or attempted by an insured. Or posted on insureds website, printed material or posted on any social media site or anywhere on the internet.
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CLAIMS PROCESSING PROCEDURE

Immediately report all claims directly to TPS at claims@tpspool.org, 800-588-0013 or directly to the Director of Claims at 972-835-5221

This is a summary of coverage, please refer to the policy form for specific policy details and exclusions. Full policy details are available on the TPS website at www.tpspool.org

Revised on December 14, 2020



TEXAS POLITICAL SUBDIVISIONS JSIF CRISIS MANAGEMENT (Workplace Violence) HIGHLIGHTS

GENERAL TERMS

Carrier	Tokio Marine/Houston Casualty Company
Insured	TPS Property and Liability Members (All Employees, Officers, Directors & Students. Including any Guests of the insured while on premises or while traveling and any Relative of insured)
A.M. Best Rating	A+ (Superior)
Consultants	Unity Resources Group: Crisis Response Firm approved to provide crisis management services
Policy Number	S716-85001
Territory	Territory is Worldwide unless amended with Excluded Countries
Deductible	No Deductible
Type	Occurrence Policy
Purpose	Provided as a value added service to assist TPS members in the event of a workplace violence or similar crisis event

COVERAGE	LIMIT/INDEMNITY/WAITING PERIOD	COVERAGE DESCRIPTION
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KIDNAP & RANSOM

Ransom	Limit	\$2,250,000	Monies paid or lost for express kidnapping, kidnapping, extortion, hijacking or illegal detention
Personal	Limit	\$5,000	Monies and/or property surrendered during the course of an event defined in each policy
In-Transit Loss	Limit	\$2,250,000	Loss of ransom while in transit due to actual damage, destruction, disappearance, confiscation, or wrongful appropriation
Additional Expenses	Limit	\$2,250,000	Expenses incurred as a result of informant reward, retaining consultants to investigate, cost of travel, salary/compensation of victim/relative, financial loss due to physical inability, security guards to protect insured or property, job retraining, medical/psychiatric/rehabilitation care, Burial, etc
Crisis Response Fees & Expenses	Limit	Unlimited	Means all fees and expenses of approved Crisis Response Firm (Unity Resources Group)
Legal Liability	Limit	\$2,250,000	Judgments, settlements & defense costs resulting from claims by or on behalf of insured

ACCIDENTAL DEATH & DISMEMBERMENT

Personal Accident	Per Person Limit	\$250,000	Benefit for loss of limb, mutilation, loss of sight, loss of speech, permanent total disability or death
	Aggregate Limit	\$1,250,000	

THREAT RESPONSE EXPENSE

Threat Response Expense	Limit	\$100,000	Consultant expenses associated with a threat assessment and the temporary protection of the threatened insured or property
	Indemnity Period	90 days	

DISAPPEARANCE & INVESTIGATION EXPENSE

Disappearance Investigation	Limit	\$150,000	Investigation expenses of the Crisis Response Consultant associated with the disappearance of an individual exceeding the waiting period without a related ransom demand
	Indemnity Period	90 days	
	Waiting Period	48 hours	

BUSINESS INTERRUPTION/LOSS OF EARNINGS

Business Interruption/Loss of Earnings	Limit	\$2,000,000	Loss or reduction of earnings resulting from an insured event
	Indemnity Period	120 days	
	Waiting Period	6 hours	

TRAVEL SECURITY EVACUATION/EMERGENCY REPATRIATION & RELOCATION

Travel Security Evacuation/ Emergency Repatriation & Relocation	Limits	\$1,000,000 per evacuation w/\$1,000,000 AGG	Expenses associated with the repatriation of an insured expelled by a recognized government, or wholesale seizure, confiscation or expropriation of the property, plant and equipment of the insured
		\$10,000 personal effects sublimit per person	
		\$25,000 repatriation sublimit per person	

CHILD ABDUCTION (PREMISES)

Child Abduction	Limit	\$2,000,000	Expenses associated with illegal taking of a child (0-18 years) of an Insured from the Insured premises. Includes public relations consultant, publicity, psychiatric counseling, hospitalization, funeral/burial, informant reward, travel, salary of parents and forensic analysts expenses
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WORKPLACE VIOLENCE /ACTIVE SHOOTER/ ASSAULT EXPENSE

Workplace Violence/Assault Expense	Limits	Liability limit: \$2,250,000 per loss w/\$2,250,000 AGG	Covers expenses of any intentional or unlawful act of deadly force occurring on the business premises of the insured which involves the use or display of a lethal weapon and which has resulted or would result in bodily injury. Includes AD&D and expenses incurred to re-establish its public image, salary of insured, rehabilitation, temporary security measures, informant reward, consulting fees, etc
		Expense Limit: \$1,000,000 per loss w/\$1,000,000 AGG	
		AD&D Limit: \$250k per person w/\$1,250,000 per event AGG	

CLAIMS PROCESSING PROCEDURE

Immediately report all claims directly to TPS at claims@tspool.org, 800-588-0013 or directly to the Director of Claims at 972-835-5221

Should you require immediate assistance with an incident or possible incident, contact Unity Resources Group (Unity)

at their 24/7 crisis line @ +1-410-571-2628 or respond@unityresourcesgroup.com

This is a summary of coverage, please refer to the policy form for specific policy details and exclusions. Full policy details are available on the TPS website at www.tspool.org



TEXAS POLITICAL SUBDIVISIONS JSIF TERRORISM HIGHLIGHTS

GENERAL TERMS

Carrier	Ironshore Insurance Service LLC (A Liberty Mutual Company)		
Insured	TPS Property Members		
A.M. Best Rating	A (Excellent)		
Policy Number	3642600		
Territory	United States		
Deductibles	\$10,000 (24 hour Ingress/Egress/Service Interruption)		
Limit	\$100,000,000 Per Occurrence & In The Aggregate		
Type	Foreign & Domestic Terrorism/Sabotage (real property)		
Purpose	Provided to assist TPS members in the event of a Property Terrorism Event		

COVERAGE	LIMIT/INDEMNITY PERIOD/MILES	COVERAGE DESCRIPTION	
Underlying Sublimits			
ACCOUNTS RECEIVABLE			
Accounts	Limit	\$250,000	As per property coverage document.
BUSINESS INTERRUPTION			
Business	Limit	\$1,000,000	Available if applied for.
CIVIL OR MILITARY AUTHORITY			
Civil or Military Authority	Limit	\$1,000,000	Actual loss sustained during the period of time when access to real or personal property is prohibited by an order of civil or military authority.
	Indemnity Period	30 days	
	Miles	1	
DEBRIS REMOVAL EXPENSES			
Debris Removal Expenses	Limit	\$1,000,000	Covers the necessary and reasonable expense of removal from locations of debris.
DECONTAMINATION COSTS EXCLUDING NCBR			
Decontamination Costs	Limit	\$250,000	Covers decontamination costs excluding nuclear, chemical, biological and radiological.
DEMOLITION & ICC			
Demolition & ICC	Limit	\$1,000,000	Covers enforcement of any law, ordinance, governmental directive or standard in effect at the time of loss or damage regulating the construction, repair or use and occupancy of the property.
ELECTRONIC DATA PROCESSING EQUIPMENT MEDIA (Physical Damage Only)			
Electronic Data Processing	Limit	\$1,000,000	As per property coverage document.
ERROR & OMISSIONS			
Error & Omissions	Limit	\$1,000,000	Covers direct physical loss or damage due to any error or unintentional omission.
FINE ARTS			
Fine Arts	Limit	\$250,000	Covers breakage of art, glass, windows, statuary, sculptures, marble, glassware, porcelain, bric-a-brac, antique furniture: antique jewelry or similar fragile articles, unless such breakage.
FIRE PROTECTIVE SYSTEMS			
Fire Protective	Limit	\$10,000	As per property coverage document.
INGRESS/EGRESS			
Ingress/Egress	Limit	\$1,000,000	Provides coverage for actual loss sustained during the period of time when ingress to or egress from the real or personal property is prohibited.
	Indemnity Period	30 days	
	Miles	1	
KEY & LOCK EXPENSE			
Key & Lock	Limit	\$250,000	Covers necessary key & lock expenses.
LANDSCAPING			
Landscaping	Limit	\$10,000	Covers minimal landscape expense.
LEASEHOLD INTEREST			
Leasehold Interest	Limit	\$1,000,000	Available if applied for.
MISSCELLANEOUS UNNAMED LOCATIONS			
Miscellaneous Unnamed	Limit	\$1,000,000	As per property coverage document.
	Indemnity Period	30 days	
NEWLY ACQUIRED LOCATIONS			
Newly Acquired Locations	Limit	\$10,000,000	As per property coverage document.
	Indemnity Period	90 days	
PRESERVATION OF PROPERTY			
Preservation of Property	Limit	\$250,000	Reimburses expenses incurred in taking reasonable and necessary actions for the temporary protection and preservation of property.
PROFESSIONAL FEES			
Professional Fees	Limit	\$250,000	Covers reasonable and necessary expenses incurred to accountants, architects, auditors, engineers, or other professionals or employees to prepare and certify particulars or details of claims.
RELOCATION EXPENSE			
Relocation	Limit	\$1,000,000	Covers necessary relocation expense.
RENTAL INCOME			
Rental Income	Limit	\$1,000,000	Available if applied for.

SERVICE INTERRUPTION			
Service Interruption	Limit	\$1,000,000	Covers physical loss or damage to property and/or time element coverage arising from physical loss or damage.
	Indemnity Period	30 days	
	Miles	1	
SOFT COSTS			
Soft Costs	Limit	\$250,000	Covers necessary soft costs.
TRANSIT			
Transit	Limit	\$250,000	Covers loss resulting from loss or damage to property in transit.
VALUABLE PAPERS			
Valuable Papers	Limit	\$250,000	As per property coverage document.
CLAIMS PROCESSING PROCEDURE			
Immediately report all claims directly to TPS at claims@tpspool.org , 800-588-0013 or directly to the Director of Claims at 972-835-5221			
<i>*This is a summary of coverage, please refer to the policy form for specific policy details and exclusions.*</i>			

Revised on October 31 2018