



ORDINANCE NO. 1982-19

AN ORDINANCE AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO AN AGREEMENT WITH ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES

BE IT ORDAINED by the Mayor and Board of Trustees of the Village of Hawthorn Woods, Illinois, that the Chief Operating Officer be, and the same is, hereby authorized and directed to enter into an Agreement between the Village of Hawthorn Woods, a municipal corporation located in Lake County, Illinois and Arthur J. Gallagher Risk Management Services, in substantially the form attached hereto as Exhibit "A", and, by this reference, made a part hereof, with such changes as are approved by the Mayor and Village Attorney.

BE IT ORDAINED by the Mayor and Board of Trustees of the Village of Hawthorn Woods, Lake County, Illinois, that the Chief Operating Officer is authorized to expend funds for the purchase of property, casualty and workers compensation insurance coverage from Underwriters at Lloyd's, London, BCS Insurance Company, Starr Indemnity & Liability Company, Hanover Insurance Company and the Illinois Public Risk Fund for the period January 1, 2020 to December 31, 2020 in an amount not to exceed \$179,089 as outlined in the attached Proposal of Insurance, a copy of which is attached hereto as Exhibit "A", and, by this reference, made a part hereof, with such changes as are approved by the Mayor and the Village Attorney.

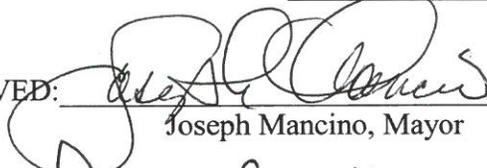
The foregoing Ordinance was adopted by the Village Board of the Village of Hawthorn

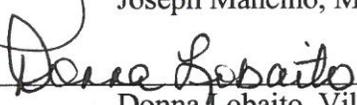
Woods, Illinois on November 25, 2019:

AYES: Kraier, Kasik, Russo, Corrigan, Dimaggio, David

NAYS: 0

ABSENT AND NOT VOTING: 0

APPROVED: 
Joseph Mancino, Mayor

ATTEST: 
Donna Lobaito, Village Clerk

ADOPTED: November 25, 2019

APPROVED: November 25, 2019



Proposal of Insurance

Village of Hawthorn Woods

2 Lagoon Drive
Hawthorn Woods, IL 60047

Presented: November 22, 2019
Effective: December 31, 2019

Ethan Salsinger
Account Executive
Arthur J. Gallagher Risk Management Services, Inc.
2850 Golf Road
Rolling Meadows, IL 60008
(630) 773-3800
Ethan_Salsinger@ajg.com



ajg.com

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Gallagher

Insurance | Risk Management | Consulting

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Executive Summary

Arthur J. Gallagher Risk Management Services, Inc. appreciates the opportunity to present this proposal for your consideration.

The entire staff at Arthur J. Gallagher Risk Management Services, Inc. would like to thank the Village of Hawthorn Woods for the opportunity to present our background, experience, and qualifications as they pertain to the Village's insurance and risk management needs.

The Village of Hawthorn Woods will directly benefit from utilizing our collective knowledge and experience of serving as broker to many Public and Governmental Entities. Nationally, we provide services to over 5,000 schools, municipalities, and counties encompassing over 500,000 employees and \$30,000,000,000 in property values. The Arthur J. Gallagher Risk Management Services, Inc. division of Arthur J. Gallagher & Co. is solely focused on this segment of the market and our expanding client list, market relationships, and personnel reflect that commitment.

We are confident that our proposal will demonstrate our ability to service the risk management needs and confirm our commitment to the Village of Hawthorn Woods based on:

- Our office's strong national presence, which includes clients from New Hampshire to Idaho, and
- Our expertise in governmental entities.

Our company has the expertise and breadth of services to meet all of your risk management needs. We have an experienced team that will work as an extension of your risk management department and will be committed to ensure your program's success.

We again thank you for this opportunity and look forward to be of service to you

Below is an exposure comparison from expiring to renewal term. It is important to point out that no additional premium was charged for any changes that were submitted throughout the current term with BRIT due to their Limited Midterm Adjustment Policy.

Coverage	2018-2019	2019-2020	% Change
Total Values	\$14,913,588	\$15,365,565	3.03%
# Autos	29	29	0 %
Payroll	\$3,303,697	\$3,312,486	.27%
Contractors Equipment	\$1,080,075	\$1,125,051	4.16%

In the following pages, we will demonstrate what makes our company the best fit for your insurance placement and risk management needs. Thank you again for allowing us to be your partner in this placement.

Ethan Salsinger

Friday, November 22, 2019

Service Team

Ethan Salsinger has primary service responsibility for your company. We operate using a team approach. Your Service Team consists of:

NAME / TITLE	PHONE / ALT. PHONE	EMAIL
Ethan Salsinger Account Executive	(630) 285-3651	Ethan_Salsinger@ajg.com
Deb Canning Client Service Manager	(630) 647-3102	Deb_Canning@ajg.com
Alex Capotosto Client Service Manager Trainee	(630) 285-4194	Alex_Capotosto@ajg.com

Arthur J. Gallagher Risk Management Services, Inc.

Main Office Phone Number: (630) 773-3800

Service Commitment

Account Service

At Arthur J. Gallagher & Co., our goal is to provide you with an exceptional insurance and risk management program delivered by a world class service organization. Gallagher is committed to partnering with our clients to ensure we consistently deliver the highest quality service possible.

Renewals

We use a standard Renewal Timeline and start early to make sure your needs are met and we are able to offer you the most comprehensive and competitively priced insurance program. At each renewal, we will meet with you to establish a renewal game plan, determine how many markets should be approached, discuss pricing in the insurance marketplace, and identify what specific needs must be addressed. We will then approach markets that we feel will offer the best alternatives. These alternatives will be presented at renewal as an option, even if we feel the incumbent program is strongest. We will demonstrate how we have created competition within the marketplace to ensure that you receive the best renewal terms.

We make ourselves accountable by working with you to develop a written service schedule that meets your needs. You can track our service by referring to our written service commitment. Service becomes especially important as your type of organization continues to change and prosper.

As a top national broker, we have access to over 150 insurance companies and wholesalers. This maximizes your insurance options in any given policy year situation. In addition, our integrity and influence in the marketplace have resulted in excellent relationships with our markets. These factors are especially important to consider as the insurance needs of your organization become more complex and require more sophisticated solutions.

Acquisitions

On request, we will perform an insurance due-diligence review on all products and acquisitions.

Profit Center Premium Allocations

We will provide premium breakdown by entities and/or location schedule.

Automobile Identification Cards

ID cards will be issued upon binding of coverage.

Phone Calls

Phone calls will be returned within one working day of receipt.

Certificates of Insurance

Certificates of Insurance will be issued within one working day of request.

Quarterly Account Review

Quarterly account reviews will include review of claims, exposures, audits, and service.

Loss Control

We will coordinate all loss control activities between you and the carrier. We recommend that service be provided on a quarterly basis.



Our Service Commitment

Our clients repeatedly tell us the most important thing that we can do as their broker is to protect their assets while providing a comprehensive and tailored insurance program with the most competitive terms. We also know that a critical component of every customer experience is receiving an accurate and timely response to their day to day business needs and challenges.

At Arthur J. Gallagher and Co. our goal is to provide every client with an exceptional insurance and risk management program delivered by a world-class service organization.

We're on a journey to set a new standard for service within our industry – utilizing innovative technology and tools that create value for our clients, and raising the bar beyond expectations. The result is consistent and predictable service for our clients – with the highest quality at every interaction.



For the client, words and pledges only go so far. In order to deliver on our promise, Gallagher is committed to partnering with our clients to ensure we consistently deliver the highest quality service possible:

- **Clients get what they need, when they need it** – as a result of managing our work more effectively, your needs and requests are addressed promptly and professionally at all times
- **Our service team is able to focus on you**, and the solutions needed to support your unique business needs
- **We proactively manage your renewal cycle**, delivering a predictable timeline that creates time for thorough decision-making
- **You play a role in this too** – we're asking for more information ahead, so that you receive the best outcome, every time

Program Structure



Named Insured

Named Insured Schedule:

Named Insured	Package	Business Auto	Umbrella	Cyber Liability	Crime	Accidental Death and Dismemberment	Workers' Compensation
Village of Hawthorn Woods	X	X	X	X			X

Note: Any entity not named in this proposal, may not be an insured entity. This may include affiliates, subsidiaries, LLC's, partnerships and joint ventures.

Market Review

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

INSURANCE COMPANY	LINE OF COVERAGE	RESPONSE	PREMIUM
Underwriters at Lloyd's London	Package	Recommended Quote	\$48,580
Underwriters at Lloyd's London	Business Auto	Recommended Quote	\$21,047
Underwriters at Lloyd's London	Umbrella	Recommended Quote	\$9,973
BCS Insurance Company	Cyber Liability	Recommended Quote	\$2,750
Hanover Insurance Company	Crime	Recommended Quote	\$1,497
Starr Indemnity & Liability Company	Accidental Death and Dismemberment	Recommended Quote	\$1,250
Illinois Public Risk Fund	Workers' Compensation	Recommended Quote	\$78,043
Argonaut / Trident	Package / Auto / Umbrella	Declined – Need more time	

Location Schedule

LINE OF COVERAGE	LOC # / BLDG #	LOCATION ADDRESS
Package - Property	1/1	2 Lagoon Dr, Hawthorn Woods, IL 60047
	1/2	2 Lagoon Dr, Hawthorn Woods, IL 60047
	1/3	2 Lagoon Dr, Hawthorn Woods, IL 60047
	2/1	Outdoor Property, Hawthorn Woods, IL 60047
	3/1	27 Acorn Dr., Hawthorn Woods, IL 60047
	3/2	27 Acorn Dr., Hawthorn Woods, IL 60047
	3/3	27 Acorn Dr., Hawthorn Woods, IL 60047
	3/4	27 Acorn Dr., Hawthorn Woods, IL 60047
	4/1	42 Park View Ln, Hawthorn Woods, IL 60047
	4/2	42 Park View Ln, Hawthorn Woods, IL 60047
	4/3	42 Park View Ln, Hawthorn Woods, IL 60047
	4/4	42 Park View Ln, Hawthorn Woods, IL 60047
	4/5	42 Park View Ln, Hawthorn Woods, IL 60047
	4/6	42 Park View Ln, Hawthorn Woods, IL 60047
	5/1	8 Copperfield Dr. , Hawthorn Woods, IL 60047
	5/2	8 Copperfield Dr. , Hawthorn Woods, IL 60047
	5/3	8 Copperfield Dr. , Hawthorn Woods, IL60047
	5/4	8 Copperfield Dr. , Hawthorn Woods, IL 60047
	6/1	9 Heather Lane, Hawthorn Woods, IL 60047
	6/2	9 Heather Lane, Hawthorn Woods, IL 60047
	7/1	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/2	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/3	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/4	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/5	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/6	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/7	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/8	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/9	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/10	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/11	436 Heritage Oaks, Hawthorn Woods, IL 60047
	7/12	436 Heritage Oaks, Hawthorn Woods, IL 60047
	8/1	19 N. Highview Circle, Hawthorn Woods, IL60047
	8/2	19 N. Highview Circle, Hawthorn Woods, IL 60047
	8/3	19 N. Highview Circle, Hawthorn Woods, IL 60047

LINE OF COVERAGE	LOC # / BLDG #	LOCATION ADDRESS
	8/4	19 N. Highview Circle, Hawthorn Woods, IL 60047
	8/5	19 N. Highview Circle, Hawthorn Woods, IL 60047
	8/6	19 N. Highview Circle, Hawthorn Woods, IL 60047
	9/1	Magnolia Parkway, Hawthorn Woods, IL 60047
	9/2	Magnolia Parkway, Hawthorn Woods, IL 60047
	9/3	Magnolia Parkway, Hawthorn Woods, IL 60047
	10/1	Elm St. & Juel Cir, Hawthorn Woods, IL 60047
	10/2	Elm St. & Juel Cir, Hawthorn Woods, IL 60047
	11/1	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/2	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/3	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/4	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/5	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/6	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/7	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/8	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/9	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/10	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/11	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/12	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/13	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/14	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/15	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/16	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	11/17	35 Old McHenry Rd, Hawthorn Woods, IL 60047
	12/1	Krueger and Midlothian Road, Hawthorn Woods, IL 60047
	12/2	Krueger and Midlothian Road, Hawthorn Woods, IL 60047
	13/1	1 Hubbard Lane, Hawthorn Woods, IL 60047
	14/1	94 Midlothian, Hawthorn Woods, IL 60047
	14/2	94 Midlothian, Hawthorn Woods, IL 60047
	14/3	94 Midlothian, Hawthorn Woods, IL 60047
	14/4	94 Midlothian, Hawthorn Woods, IL 60047
	14/5	94 Midlothian, Hawthorn Woods, IL 60047
	14/6	94 Midlothian, Hawthorn Woods, IL 60047
	14/7	94 Midlothian, Hawthorn Woods, IL 60047
	14/8	94 Midlothian, Hawthorn Woods, IL 60047
	14/9	94 Midlothian, Hawthorn Woods, IL 60047

LINE OF COVERAGE	LOC # / BLDG #	LOCATION ADDRESS
	15/1	Acacia Drive, Hawthorn Woods, IL 60047
	16/1	28 Bruce Circle North, Hawthorn Woods, IL 60047
	17/1	28 Palisades, Hawthorn Woods, IL 60047
	18/1	2 Hawthorn Hills DR, Hawthorn Woods, IL 60047
	19/1	3 Hawthorn Hills Dr, Hawthorn Woods, IL 60047
	20/1	MAIN STREET, Hawthorn Woods, IL 60047

Program Details

Coverage: Package - Property
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

The following is a general summary of the Insuring Agreement. Refer to actual policy form for complete terms and conditions.

Coinsurance or Agreed Amount:

DESCRIPTION	AGREED AMOUNT	COINSURANCE %
Agreed value waiving co-insurance penalties	Yes	N/A

Coverage:

SUBJECT OF INSURANCE	AMOUNT
Buildings and Personal Property	\$15,365,565
Pump and Lift Stations	Included
Equipment Breakdown	Included
Contractor's Equipment Scheduled	\$1,125,051
Contractor's Equipment Unscheduled	\$50,000
- maximum per any one item applies	\$2,500
Earthquake - Excludes New Madrid Region	\$5,000,000
Flood - 100 and 500 year flood plains, as defined by FEMA, are excluded	\$5,000,000
Equipment Breakdown	Included

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Buildings and Personal Property	\$1,000
Deductible	Pump and Lift Stations	\$1,000
Deductible	Equipment Breakdown	\$1,000
Deductible	Contractor's Equipment Scheduled	\$500
Deductible	Contractor's Equipment Unscheduled	\$500
Deductible	Earthquake - Excludes New Madrid Region	\$25,000
Deductible	Flood - 100 and 500 year flood plains, as defined by FEMA, are excluded	\$25,000
Deductible	Employee Dishonesty	\$250
Deductible	Emergency Portable Equipment:	-
Deductible	- Scheduled	\$500
Deductible	- Unscheduled	\$500

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Lock Replacement	\$50
Deductible	*Deductible Exceptions:	-
Deductible	- Motors, pumps and deep well pump units	10.00 Per Horsepower, \$2,500 Minimum
Deductible	- ICE (Internal Combustion Engines)/Generators	30.00 Per KW, \$2,500 Minimum

Additional Coverage:

DESCRIPTION	AMOUNT
All coverages listed below apply per occurrence.	
Automated External Defibrillator	\$5,000
Collapse	Limit Extended
Commandeered Property of Others (Other than Automobiles)	\$250,000
Crime Reward – Excluding Arson	\$25,000
Debris Removal of Covered Property	25% of Loss + \$25,000 Per Location
Emergency Evacuation Expense	\$25,000
Emergency Real Estate Consulting Fee	\$5,000
Employee Dishonesty	\$50,000
Exterior Building Glass	Included
Fire Department Service Charge	\$25,000
“Fungus”, Wet Rot, Dry Rot and Bacteria – Limited Coverage	\$15,000
Inventory and Appraisal Cost for Claim Preparation	\$10,000
Lease Cancellation Moving Expenses	\$2,500
Money and Securities	\$25,000
Pollutant Clean Up and Removal	\$25,000
Preservation of Property	Included
State Forest Fire Expense	\$25,000
Temporary Meeting Space	\$1,000
Water Damage, Other Liquid, Powder or Molten Material Damage	Included
Accounts Receivable - Per Occurrence on premises/off premises	\$250,000/\$50,000
Animals and Canines – Per Animal and Per Occurrence	\$1,500/\$10,000
Appurtenant Buildings or Structures	\$10,000
Arson Reward	\$25,000
Building Ordinance or Law Coverage:	-
- Coverage A (Undamaged)	Included
- Coverage B (Demolition) and Coverage C (Increased Cost of Construction)	\$350,000
Business Income	\$100,000

Additional Coverage:

DESCRIPTION	AMOUNT
Extra Expense	\$500,000
Business Income - Loss of Tax Revenue	\$100,000
Change in Temperature, Electrical Damage and Off-Premises Utility Services:	-
- Direct Damage	\$50,000
- Communication Towers	\$100,000
- Contractors' Equipment- Non-Owned - Per Item and Per Occurrence Limit	\$75,000 per item /\$250,000 per occurrence
Emergency Portable Equipment:	-
- Scheduled	\$209,740
- Unscheduled	\$25,000
Employees' Tools – Per Employee and Per Occurrence Limit	\$500/\$1,500
Fair or Exhibitions	\$50,000
Fine Arts – Per Item and Per Occurrence Limit	\$5,000/\$100,000
Fire Equipment Recharge	\$25,000
Footbridges and Appurtenant Structures	\$25,000
Foundations of Machinery, Swimming Pools and Underground Pipes	Limit Extended
Golf Course Greens – Limited Perils	\$100,000
Lock Replacement	\$25,000
Newly Acquired or Constructed Property – Each Building Limit/Contents Limit:	-
- Each Building	\$1,000,000
- Contents	\$500,000
Non-owned Detached Trailers	\$5,000
Outdoor Property	\$25,000
Paved Surfaces	\$100,000
Personal Computers, Communication Equipment, EDP Equipment, Electronic Data or Media – Per Occurrence and Away from Premises	\$250,000/\$10,000
Personal Effects - Per Person/Each Location and Occurrence Limit	\$25,000 Per Person/Each Location \$50,000 Occurrence Limit
Personal Property Off-Premises or in Transit	\$100,000
Recertification Expense	\$5,000
Rental Expense – Contractor's Equipment	\$10,000
Retaining Walls	\$10,000
Sign Coverage	\$25,000
Spoilage - See Utility Service Direct Damage	\$25,000
Surface Water (Locations situated in a 100 or 500 year flood plain are excluded)	\$25,000
Theft Damage to Non-Owned Buildings	\$50,000
Underground Sprinkler Systems	Included

Additional Coverage:

DESCRIPTION	AMOUNT
Underground Water Seepage - Per Premise	\$10,000
Unnamed Locations	\$250,000
Valuable Papers and Records – Cost of Research (Other than Electronic Data) On Premises Limit and Away from Premises Limit	\$250,000/\$50,000
Additional Coverage – Equipment Breakdown	
Business Income	\$100,000
Expediting Expense	\$250,000
Extra Expense	\$500,000
Building Ordinance or Law Coverage – Coverage B (Demolition) and Coverage C (Increased Cost of Construction)	\$350,000
Hazardous Substance	\$250,000
Perishable Stock (includes spoilage and contamination)	\$250,000
Data Restoration	\$250,000
Service Interruption	Combined with business income 24 hour delay

Valuations:

DESCRIPTION	LIMITATIONS
Replacement Cost	Property, Contractors equipment

Perils Covered:

TYPE	DESCRIPTION
Special Form Perils	Applies

Endorsements include, but are not limited to:

DESCRIPTION
MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION
War Exclusion
Nuclear Hazard, Power Failure
Earth Movement Exclusion
Flood Exclusion
Government Action Exclusion
Flood - 100 and 500 year flood plains, as defined by FEMA, are excluded
Earthquake - Excludes New Madrid Region

Binding Requirements:

DESCRIPTION
Subject to:
- Receipt of a currently signed, original application and signed statement of values prior to inception date.
- Signed on TRIA Form
- Fireworks are excluded until underwritten and approved. If coverage is desired, please forward a copy of the contract with the pyrotechnic and complete our loss control questionnaire. Please forward this information at least 30 days prior to the event. Each event must be separately underwritten and endorsed.
- If not already provided, please provide the year built for all locations and square footage for at least buildings with a limit of \$500,000 or greater so that Insurance to Value Calculations can be performed if coverage is bound, or submit a recent appraisal. Also advise the date of updates to roofing, plumbing, heating and electrical systems for all buildings over 35 years old
- Please send name of street and occupancy if insured decides that it should remain on the property schedule.

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Buildings and Personal Property Total Insured Values - \$15,365,565
Premium is applicable for Property, equipment breakdown, inland marine and crime, General Liability, Law Enforcement Liability, Public Officials Liability, Employment Practices Liability,
Crime coverage included for blanket employee dishonesty and money and securities with additional coverages and limits available
Value of \$2,000 was added to property for the Contents only of the insured's storage unit. Cost to insured is \$3 annually.

Premium	\$48,580.00
ESTIMATED PROGRAM COST	\$48,580.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	\$584.00

Subject to Audit: Not Auditable

Statement of Values (SOV)

Lo c	Bldg	Address Description	Zip Code	Insured's Occupancy Description	Buildings	Contents	Adj TIV
1	1	2 Lagoon Dr	60047	Village Hall/Police Station	\$3,499,267	\$270,504	\$3,769,771
1	2	2 Lagoon Dr	60047	Minolta Copier	\$0	\$10,404	\$10,404
1	3	2 Lagoon Dr	60047	Computers/Printers/Network equip	\$0	\$104,040	\$104,040
2	1	Outdoor Property	60047	Bike Racks	\$26,523	\$0	\$26,523
3	1	27 Acorn Dr.	60047	Brierwoods Park/Benches Tables	\$6,365	\$0	\$6,365
3	2	27 Acorn Dr.	60047	Brierwoods Park/Playground Equip	\$58,350	\$0	\$58,350
3	3	27 Acorn Dr.	60047	Brierwoods/Bridlewoods Parks/Playground Equip	\$68,959	\$0	\$68,959
3	4	27 Acorn Dr.	60047	Brierwoods/Bridlewoods Parks/benches, Grills, Tables	\$8,487	\$0	\$8,487
4	1	42 Park View Ln	60047	Community Park - Fencing BB Field - West Field	\$26,523	\$0	\$26,523
4	2	42 Park View Ln	60047	Community Park - Fencing BB Field - East Field	\$16,974	\$0	\$16,974
4	3	42 Park View Ln	60047	Community Park - Picnic Tables/garbage cans/benches	\$9,548	\$0	\$9,548
4	4	42 Park View Ln	60047	Community Park - Irrigation System	\$15,914	\$0	\$15,914
4	5	42 Park View Ln	60047	Community Park - Playground Equip	\$106,090	\$0	\$106,090
5	1	8 Copperfield Dr.	60047	Copperfield Park - Benches	\$3,183	\$0	\$3,183
5	2	8 Copperfield Dr.	60047	Copperfield Park - Benches	\$2,122	\$0	\$2,122
5	3	8 Copperfield Dr.	60047	Copperfield Park - Playground Equip	\$31,827	\$0	\$31,827
5	4	8 Copperfield Dr.	60047	Gazebo	\$67,540	\$0	\$67,540
6	1	9 Heather Lane	60047	Heather Highland Park -Benches	\$1,591	\$0	\$1,591
6	2	9 Heather Lane	60047	Heather Highland Park -Playgoung equip	\$42,436	\$0	\$42,436
7	1	436 Heritage Oaks	60047	Heritage Oaks Park - Baseball fencing	\$197,725	\$0	\$197,725
7	2	436 Heritage Oaks	60047	Heritage Oaks Park - Basketball court	\$75,194	\$0	\$75,194
7	3	436 Heritage Oaks	60047	Heritage Oaks Park - Bike Racks	\$7,907	\$0	\$7,907
7	4	436 Heritage Oaks	60047	Heritage Oaks Park - Bleachers (baseball fields)	\$12,699	\$0	\$12,699
7	5	436 Heritage Oaks	60047	Heritage Oaks Park - Concession stand building	\$424,360	\$0	\$424,360

7	6	436 Heritage Oaks	60047	Heritage Oaks Park - Drinking Fountains	\$16,444	\$0	\$16,444
7	7	436 Heritage Oaks	60047	Heritage Oaks Park - Flagpoles	\$10,850	\$0	\$10,850
7	8	436 Heritage Oaks	60047	Heritage Oaks Park - Gazebo	\$79,568	\$0	\$79,568
7	9	436 Heritage Oaks	60047	Heritage Oaks Park - Irrigation System	\$612,670	\$0	\$612,670
7	10	436 Heritage Oaks	60047	Heritage Oaks Park - Player Benches	\$5,305	\$0	\$5,305
7	11	436 Heritage Oaks	60047	Heritage Oaks Park - Playground baseball area	\$42,892	\$0	\$42,892
7	12	436 Heritage Oaks	60047	Heritage Oaks Park - Tennis Court	\$98,341	\$0	\$98,341
8	1	19 N. Highview Circle	60047	Highview Park - benches	\$2,652	\$0	\$2,652
8	2	19 N. Highview Circle	60047	Highview Park - Fencing BB field	\$6,365	\$0	\$6,365
8	3	19 N. Highview Circle	60047	Highview Park - Fencing Tennis Court	\$15,914	\$0	\$15,914
8	4	19 N. Highview Circle	60047	Highview Park - Playground Equip	\$58,350	\$0	\$58,350
8	5	19 N. Highview Circle	60047	Highview Park - Hockey/basketball	\$74,263	\$0	\$74,263
8	6	19 N. Highview Circle	60047	Park Signs \$5,065 / \$9,140	\$14,205	\$0	\$14,205
9	1	Magnolia Parkway	60047	Rambling Hills Park - Fencing - BB Field	\$6,365	\$0	\$6,365
9	2	Magnolia Parkway	60047	Rambling Hills Park - Playground Equip	\$68,959	\$0	\$68,959
9	3	Magnolia Parkway	60047	Rambling Hills Park - Restrooms	\$97,479	\$0	\$97,479
10	1	Elm St. & Juel Cir	60047	Woodland Park - Benches	\$2,122	\$0	\$2,122
10	2	Elm St. & Juel Cir	60047	Woodland Park - Playground Equip	\$67,701	\$0	\$67,701
11	1	35 Old McHenry Rd	60047	Air Compressor (5HP)	\$0	\$2,076	\$2,076
11	2	35 Old McHenry Rd	60047	Antenna/Base Station	\$5,328	\$0	\$5,328
11	3	35 Old McHenry Rd	60047	Computers/MNTR/Printer	\$0	\$9,909	\$9,909
11	4	35 Old McHenry Rd	60047	Copy Star	\$0	\$2,794	\$2,794
11	5	35 Old McHenry Rd	60047	Fencing Around Garage	\$13,113	\$0	\$13,113
11	6	35 Old McHenry Rd	60047	Flag Pole	\$3,514	\$0	\$3,514
11	7	35 Old McHenry Rd	60047	Public Works Building	\$932,344	\$265,302	\$1,197,646
11	8	35 Old McHenry Rd	60047	Salt Storage Building	\$164,455	\$0	\$164,455
11	9	35 Old McHenry Rd	60047	Storage Building	\$66,179	\$0	\$66,179
11	10	35 Old McHenry Rd	60047	Vehicle Lift - Twin Post	\$0	\$16,979	\$16,979
12	1	Krueger and Midlothian Road	60047	Krueger Road Lift Station	\$231,750	\$0	\$231,750
13	1	1 Hubbard Lane	60047	Dist 95 Lift Station	\$262,650	\$0	\$262,650
14	1	94 Midlothian	60047	Aquatic Center Building	\$3,814,195	\$138,707	\$3,952,902
14	2	94 Midlothian	60047	Aquatic Center Pool and Equip	\$2,196,611	\$0	\$2,196,611

14	3	94 Midlothian	60047	Chairs	\$37,159	\$0	\$37,159
14	4	94 Midlothian	60047	Fencing	\$33,832	\$0	\$33,832
14	5	94 Midlothian	60047	Funbrellas	\$6,265	\$0	\$6,265
14	6	94 Midlothian	60047	Lightning Warning System	\$6,644	\$0	\$6,644
14	7	94 Midlothian	60047	Shade System	\$26,888	\$0	\$26,888
14	8	94 Midlothian	60047	Slides/Tower	\$190,383	\$0	\$190,383
12	2	Krueger and Midlothian Road	60047	Generator	\$0	\$0	\$0
11	11	35 Old McHenry Rd	60047	PW fuel card reader	\$0	\$7,500	\$7,500
11	12	35 Old McHenry Rd	60047	Tire Machine	\$0	\$5,553	\$5,553
4	6	42 Park View Ln	60047	CP Well/Pump	\$0	\$11,800	\$11,800
11	13	35 Old McHenry Rd	60047	PW Well/Pump	\$0	\$11,800	\$11,800
14	9	94 Midlothian	60047	AC Camera	\$0	\$3,324	\$3,324
11	14	35 Old McHenry Rd	60047	PW Cameras	\$0	\$8,050	\$8,050
11	15	35 Old McHenry Rd	60047	Brine Tank	\$0	\$4,350	\$4,350
11	16	35 Old McHenry Rd	60047	Overseas Containers (2)	\$0	\$4,250	\$4,250
11	17	35 Old McHenry Rd	60047	PW Fan	\$0	\$4,909	\$4,909
15	1	Acacia Drive	60047	Hawthorn Trails Park - Playground Equipment & Shelter	\$0	\$42,500	\$42,500
16	1	28 Bruce Circle North	60047	Brierwoods Preserve - Observation Deck	\$0	\$7,500	\$7,500
17	1	28 Palisades	60047	Hawthorn Hills Park - Equipment	\$0	\$93,130	\$93,130
18	1	2 Hawthorn Hills DR	60047	Amphitheatre	\$0	\$142,485	\$142,485
19	1	3 Hawthorn Hills Dr	60047	Playground	\$0	\$214,360	\$214,360
20	1	MAIN STREET	60047	FILES	\$0	\$2,000	\$2,000
Grand Total					\$13,981,339	\$1,384,226	\$15,365,565

Client Signature

Coverage: Package - General Liability
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
General Liability	Occurrence	Not Applicable	Not Applicable

Defense Limitations:

DEFENSE COST DOLLAR LIMIT	DEFENSE COST TYPE / COMMENTS
Applies	Other / Defense costs are in addition to the Limit of Liability

Coverage:

DESCRIPTION	AMOUNT
General Liability	-
Each Occurrence Limit:	\$1,000,000
Annual Aggregate	\$3,000,000
Bodily Injury and Property Damage	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Employee Benefits Injury	\$1,000,000
Specific Perils - Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$5,000
General Aggregate	\$3,000,000
Products-Completed Operations Aggregate	\$3,000,000
Sexual Molestation	-
- Per Occurrence	\$250,000
- Annual Aggregate	\$500,000

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	General Liability: Deductible applies to Loss Only:	None

Additional Coverage:

DESCRIPTION	AMOUNT
Owned watercraft	up to 50 feet in length are covered

Endorsements include, but are not limited to:

DESCRIPTION

MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

COVERAGE TYPE	DESCRIPTION
General Liability	Bodily Injury and Property Damage from pollutants - Absolute Exclusion
General Liability	Losses arising from the ownership maintenance or use of aircraft (including drones), autos, or watercraft, with some minor exceptions including certain contractual obligations
General Liability	Employment Related Practices Exclusion
General Liability	Liquor Liability Exclusion
General Liability	Aircraft Products Exclusion
General Liability	Professional Liability Exclusion
General Liability	Real Property in Your Care, Custody, and Control Exclusion
General Liability	Absolute Asbestos Exclusion
General Liability	Absolute Lead Exclusion
General Liability	War and Nuclear Hazard
General Liability	Mold / Fungus
EBL	Dishonest, fraudulent, criminal or malicious act or omission
EBL	Bodily Injury or Property Damage or Personal Injury
EBL	Failure of performance of contract
EBL	Failure of any investment to perform as represented by you
EBL	Failure to comply with mandatory provisions of any law concerning Workers' Compensation, unemployment insurance, social security or disability benefits
EBL	Wrongful termination of an employee
EBL	Coercion, demotion, reassignment, discipline or harassment of an employee
EBL	Discrimination against an employee
General Liability	Pollution exclusion exceptions for sudden and accidental discharge from heating, air conditioning and ventilation systems, hostile fire, emergency operations, mobile equipment, road treatment chemicals, swimming pools, pesticides and herbicides, water treatment, above ground storage tanks and water and sewage operations

Binding Requirements:

DESCRIPTION
Subject to:
- Receipt of a currently signed, original application prior to inception date
- Signed on TRIA Form
- Fireworks are excluded until underwritten and approved. If coverage is desired, please forward a copy of the contract with the pyrotechnic and complete our loss control questionnaire. Please forward this information at least 30 days prior to the event. Each event must be separately underwritten and endorsed

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Premium is applicable for Property General Liability, Law Enforcement Liability, Public Officials Liability, Employment Practices Liability, and shown under property
Punitive Damages included where allowed by State Law
Broad form Governmental Entities definition of insured includes all boards and commissions operated by and under the direction of the insured entity, Volunteers as Insureds, Mobile or Leased equipment contracts, Users of Golf mobiles and parties to Mutual Aid Agreements
Blanket Additional Insured language for both written and oral insured contracts
Medical Professional Services coverage for Employed EMT's and Paramedics, licensed or registered nurses, counselors, psychologists or pharmacists except as relates to excluded Medical and Related Facilities
Professional coverage included for Employed Engineers and Surveyors
Expanded Host Liquor Liability included

Premium

ESTIMATED PROGRAM COST	Included
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	\$187.00

Subject to Audit: Not Auditable

Coverage: Package - Law Enforcement Liability
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Form Number:

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Law Enforcement Liability	Occurrence	Not Applicable	Not Applicable

DEFENSE COST DOLLAR LIMIT	DEFENSE COST TYPE / COMMENTS
Applies	Other / Defense costs are in addition to the Limit of Liability

DESCRIPTION	AMOUNT
Law Enforcement Liability	-
Each Person	\$1,000,000
Each Wrongful Act	\$1,000,000
Annual Aggregate	\$2,000,000
Non-Monetary Defense – Per Claim	\$10,000
Non-Monetary Defense – Per Policy Period	\$50,000

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Law Enforcement Liability - Deductible applies to Loss and Loss Adjustment Expense – Each Person	\$5,000

Endorsements include, but are not limited to:

DESCRIPTION
MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION
War
Nuclear
Pollution

Binding Requirements:

DESCRIPTION
Subject to:
- Receipt of a currently signed, original application prior to inception date

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Premium is applicable for Property General Liability, Law Enforcement Liability, Public Officials Liability, Employment Practices Liability, and shown under property
Form is "pay on behalf" in lieu of indemnity and includes "duty to defend" language
Punitive Damages included where allowed by State Law
Approved Moonlighting and Mutual Aid Agreements are covered
Non-Monetary Defense limit included, with higher limits available, provides defense coverage for claims having no monetary damage demand
Law Enforcement Dept./Agency: Village Of Hawthorn Woods, IL - Police Department

Premium

ESTIMATED PROGRAM COST

Included

Subject to Audit: Not Auditable

Coverage: Package - Public Officials Liability
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Form Number:

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Public Officials Liability	Claims Made	Not Applicable	Not Applicable

DEFENSE COST DOLLAR LIMIT	DEFENSE COST TYPE / COMMENTS
Applies	Other / Defense costs are in addition to the Limit of Liability

Coverage:

DESCRIPTION	AMOUNT
Public Officials Liability	-
Each Wrongful Act Limit	\$1,000,000
Annual Aggregate	\$2,000,000
Key Individual Replacement Expenses – Per Claim	\$25,000
Terrorist Travel Reimbursement – Per Policy Period	\$5,000
Identity Theft Protection – Per Claim	\$5,000

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Deductible applies to Loss and Loss Adjustment Expense	-
Deductible	Each Wrongful Act	\$5,000
Deductible	Aggregate	Included

Claims Made Coverage:

Should you elect to change carriers (if a new retroactive date is provided) or non-renew this policy, a supplemental extended reporting endorsement may be available subject to policy terms and conditions. You must request the extended reporting period in writing to the carrier within ([Days To Extend]) days of the expiration date. The cost of this extended reporting period is [Percent Cost]% of the annual premium and is fully earned. The extended reporting period extends only to those claims made during the extended reporting period for wrongful acts that occurred prior to the expiration date and would have been covered by the policy. Claims must be reported to the carrier within ([Days To Report]) days of the end of the policy period. The extended reporting period does not increase the limits of liability and is subject to all policy terms, conditions and exclusions.

Definition of Claim:

DESCRIPTION
Refer to attached policy form

Incident or Claim Reporting Provision:

DESCRIPTION
Refer to attached policy form

Run Off Provisions:

DESCRIPTION
Refer to attached policy form

Endorsements include, but are not limited to:

DESCRIPTION
MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION
War
Nuclear
Pollution

Binding Requirements:

DESCRIPTION
Subject to:
- Receipt of a currently signed, original application prior to inception date

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Retro Active Date: None
Form is "pay on behalf" in lieu of indemnity and includes "duty to defend" language
Prior Acts coverage offered to most entities having continuous Claims Made coverage for past five years
Punitive Damages included where allowed by State Law
Consent to Settle included
Premium is applicable for Property General Liability, Law Enforcement Liability, Public Officials Liability, Employment Practices Liability, and shown under property

Premium

ESTIMATED PROGRAM COST

Included

Subject to Audit: Not Auditable

Coverage: Package - Employment Practices Liability

Carrier: Underwriters at Lloyd's London

Policy Period: 12/31/2019 to 12/31/2020

Form Number:

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Employment Practices Liability	Claims Made	Not Applicable	Not Applicable

Defense Limitations:

DEFENSE COST DOLLAR LIMIT	DEFENSE COST TYPE / COMMENTS
Applies	Other / Defense costs are in addition to the Limit of Liability

Coverage:

DESCRIPTION	AMOUNT
Employment Practices Liability	
Each Wrongful Act Limit	\$1,000,000
Annual Aggregate	\$2,000,000
Non-Monetary Defense – Per Claim	\$10,000
Non-Monetary Defense – Per Policy Period	\$50,000
Workplace Violence Counseling – Per Policy Period	\$5,000
Back-Wages – Per Claim	\$10,000

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Deductible applies to Loss and Loss Adjustment Expense	
Deductible	Each Wrongful Act	\$5,000
Deductible	Annual Aggregate	Included
Deductible	Non-Monetary Defense - Per Claim	Included
Deductible	Non-Monetary Defense - Per Policy Period	Included
Deductible	Back-Wages - Per Claim	\$5,000

Claims Made Coverage:

Should you elect to change carriers (if a new retroactive date is provided) or non-renew this policy, a supplemental extended reporting endorsement may be available subject to policy terms and conditions. You must request the extended reporting period in writing to the carrier within ([Days To Extend]) days of the expiration date. The cost of this extended reporting period is [Percent Cost]% of the annual premium and is fully earned. The extended reporting period extends only to those claims made during the extended reporting period for wrongful acts that occurred prior to the expiration date and would have been covered by the policy. Claims must be reported to the carrier within ([Days To Report]) days of the end of the policy period. The extended reporting period does not increase the limits of liability and is subject to all policy terms, conditions and exclusions.

Definition of Claim:

DESCRIPTION

Refer to attached policy form

Incident or Claim Reporting Provision:

DESCRIPTION

Refer to attached policy form

Run Off Provisions:

DESCRIPTION

Refer to attached policy form

Endorsements include, but are not limited to:

DESCRIPTION

MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION

War

Nuclear

Pollution

Binding Requirements:

DESCRIPTION

Subject to:

- Receipt of a currently signed, original application prior to inception date
- Fireworks are excluded until underwritten and approved. If coverage is desired, please forward a copy of the contract with the pyrotechnic and complete our loss control questionnaire. Please forward this information at least 30 days prior to the event. Each event must be separately underwritten and endorsed

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION

- Back-Wages No Prior Acts Applies
- Premium is applicable for Property General Liability, Law Enforcement Liability, Public Officials Liability, Employment Practices Liability, and shown under property
- Full Prior Acts coverage offered to most entities having continuous Claims Made coverage for past five years
- Punitive Damages included where allowed by State Law
- Sexual Harassment, American with Disabilities Act, Title VII claims are covered
- Non-Monetary Defense limit included, with higher limits available, provides defense coverage for claims having no monetary damage demand
- Workplace Violence Counseling reimburses the insured for expenses incurred for the counseling of employees necessary due to an incident of Workplace Violence. The deductible does not apply

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION

Consent to Settle included

Premium

ESTIMATED PROGRAM COST

Included

Coverage: Business Auto
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Coverage:

DESCRIPTION	AMOUNT	COVERED AUTOS
Liability Combined Single Limit	\$1,000,000	1
Medical Expense	\$10,000	2
Uninsured Motorist	\$350,000	6
Underinsured Motorist	\$350,000	6
Comprehensive	ACV, cost to repair or replace, or stated amount, whichever is less	7, 8
Collision	ACV, cost to repair or replace, or stated amount, whichever is less	7, 8
Excess Hired	Included	
Non-owned Liability	Included	
Hired Car Physical Damage	Included	

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Comprehensive	\$1,000
Deductible	Collision	\$1,000

Covered Autos:

SYMBOL	SYMBOL NAME	DESCRIPTION OF COVERED DESIGNATION SYMBOLS
1	Any Auto	Can only be used for Liability insurance. Its use provides coverage for any auto with which the insured has contact, including owned and non-owned, hired vehicles, and newly acquired vehicles. It includes coverage for non-owned auto, no-fault insurance, uninsured motorists, or physical damage insurance
2	Owned Autos Only	Only those autos you own (and for Liability Coverage any trailers you don't own while attached to power units you own). This includes those autos you acquire ownership of after the policy begins.
3	Owned Private Passenger Autos Only	Only the private passenger autos you own. This includes those private passenger autos you acquire ownership of after the policy begins.
4	Owned Autos Other Than Private Passenger Autos Only	Only those autos you own that are not of the private passenger type (and for Liability Coverage any trailers you don't own while attached to power units you own). This includes those autos not of the private passenger type you acquire ownership of after the policy begins.
5	Owned Autos Subject To No-Fault	Only those autos you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those autos you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.

Covered Autos:

SYMBOL	SYMBOL NAME	DESCRIPTION OF COVERED DESIGNATION SYMBOLS
6	Owned Autos Subject To A Compulsory Uninsured Motorists Law	Only those autos you own 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 you acquire ownership of after the policy 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 for which a premium charge is shown (and for Liability Coverage any trailers you don't own while attached to any power unit described in Item Three).
8	Hired Autos Only	Only those autos you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent, or borrow from any of your employees, partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Nonowned Autos Only	Only those autos you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes autos owned by your employees, partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those autos that are land vehicles and that would qualify under the definition of mobile equipment under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

Endorsements include, but are not limited to:

DESCRIPTION
Coverage Forms - MUNI-BISI-PF-001 (03-13)
Fleet Coverage Endorsement
Emergency Response Provider Endorsement

Exclusions include, but are not limited to:

DESCRIPTION
Excluded Drivers
Expected or Intended Injury
Contractual
Workers' Compensation
Employers' Liability
Property Damage to Property Owned or Transported by you
Pollution
Other standard policy exclusions apply
Terrorism

Binding Requirements:

DESCRIPTION
Subject to:
- Receipt of a currently signed, original application prior to inception date

Binding Requirements:

DESCRIPTION

- Signed Uninsured/Underinsured Motorist Selection/Rejection Form Must be received by Underwriters Prior to Inception Date

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION

The Insured Perform MVR Reviews Annually on all Drivers and Prior to Hiring New Drivers

Replacement Cost coverage for Emergency Rescue Vehicles

Automobile Liability, Occurrence Form

Auto Disclaimer:

Commercial Auto policies utilize a set of coverage symbols to stipulate a category of covered autos. One or more symbols are assigned to each coverage purchased indicating which autos that coverage applies to. Please refer to your policy and make certain that you read and understand the various auto symbols and associated descriptions. Specific symbols may apply to either a particular kind of vehicle or the vehicle's ownership status. The symbols could also differ depending upon whether the coverage is for liability or physical damage. Also, in certain circumstances, an insurance company may agree to provide coverage for an auto scenario that is not described in the auto symbols. When this occurs, a unique symbol and related description is used. If you have any questions regarding the auto symbols or associated descriptions contained in your policy, please contact us.

Premium	\$21,047.00
ESTIMATED PROGRAM COST	\$21,047.00

Subject to Audit: Not Auditable

Village of Hawthorn Woods

VEH#	YEAR	MAKE MODEL	VIN	COST NEW	RATING CLASS	DEDUCT OTC	DEDUCT COLL
1	2006	Ford / Explorer Admin	4243	\$35,000	7911	\$1,000	\$1,000
2	2008	Ford / Crown Victoria PW	8981	\$35,000	7911	\$1,000	\$1,000
3	1999	International / Dump Truck 2T #812	2265	\$76,175	1479	\$1,000	\$1,000
4	2001	International / Truck 5T #814	7344	\$150,000	1499	\$1,000	\$1,000
5	2006	Ford / Pickup Truck #819	2267	\$45,000	7398	\$1,000	\$1,000
6	2008	International / Truck 2T #821	7765	\$140,000	1499	\$1,000	\$1,000
7	2008	Ford / Truck - F550 1T #811	2913	\$90,000	7398	\$1,000	\$1,000
8	2010	Ford / Pickup Truck #804	266	\$35,000	7398	\$1,000	\$1,000
9	2002	Ford / Econoline E350 Van	9614	\$30,000	1499	\$1,000	\$1,000
10	2010	Ford / Expedition PW	1439	\$35,000	7911	\$1,000	\$1,000
11	1987	Ford-Military / Hummer #357	34627	\$0	7911	\$0	\$0
12	2004	Chevy / Blazer Public Works	4918	\$35,000	7911	\$1,000	\$1,000
13	2012	International / Dump Truck 2T #18	3829	\$140,000	1499	\$1,000	\$1,000
14	2012	Ford / Pickup Truck #10	9256	\$35,000	7398	\$1,000	\$1,000
15	2013	Dodge / Durango #306	1715	\$35,000	7911	\$1,000	\$1,000
16	2015	Ford / Explorer #301	6324	\$35,000	7911	\$1,000	\$1,000
17	2014	International / Dump Truck 2T #22	6961	\$141,444	31499	\$1,000	\$1,000
18	1995	Ford / Econoline E350 Van	8548	\$5,000	7398	\$1,000	\$1,000
19	2016	Dodge / Charger #303	6839	\$35,000	7911	\$1,000	\$1,000
20	2016	International / Terrastar 1.5T #16	5700	\$108,332	31499	\$1,000	\$1,000
21	2017	Dodge / Charger #304	2C3CDXKT7H H585558	\$35,000	7911	\$1,000	\$1,000
22	2017	Dodge / Charger #302	2C3CDXKT8H H576688	\$35,000	7911	\$1,000	\$1,000
23	2005	Ford / Excursion	1FMNU41S75 ED39880	\$39,625	7398	\$1,000	\$1,000
24	2018	International / 7400 Dump Truck	3HAWDSTR5J L330365	\$0	1499	\$0	\$0
25	2018	Ford / Utility Interceptor	1FM5KBAR1J GB12015	\$35,000	7911	\$1,000	\$1,000
26	1999	Ford / Explorer	1FMDU35P2X ZB09493	\$6,000	7398	\$1,000	\$1,000
27	1997	International / Vactor / Rodder Truck	1HTSDAAR8V M446957	\$19,995	1499	\$1,000	\$1,000
28	2018	Ford / Utility Interceptor #306	1FM5K8AR2J GC74476	\$27,797	7398	\$1,000	\$1,000
29	2019	Ford / Explorer	1FM5K8D81K GA38003	\$38,444	7911	\$1,000	\$1,000

Coverage: Umbrella
Carrier: Underwriters at Lloyd's London
Policy Period: 12/31/2019 to 12/31/2020

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Umbrella	Occurrence	Not Applicable	Not Applicable

Coverage:

DESCRIPTION	AMOUNT
Each Occurrence Limit	\$9,000,000
Annual Aggregate	\$9,000,000

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Retention	Umbrella Liability - Retained Limit	\$10,000

Underlying Policies:

COVERAGE	CARRIER NAME	EFFECTIVE DATE	EXPIRATION DATE
General Liability	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Law Enforcement Liability	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Public Officials	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Employment Practices Liability	Underwriters at Lloyd's London	12/31/2019	12/31/2020
Auto Liability	Underwriters at Lloyd's London	12/31/2019	12/31/2020

Endorsements include, but are not limited to:

DESCRIPTION
MUNI-BISI-PF-001 (03-13)

Exclusions include, but are not limited to:

DESCRIPTION
Workers' Compensation, Auto No Fault, Uninsured/ Underinsured Motorists, Disability, and Unemployment Compensation Laws
Pollution (Hostile Fire Exception)
Asbestos
Physical Damage to Property in Insured's Care, Custody, or Control
Auto First-party Coverage
Pollution (Auto)
Products Recall

Exclusions include, but are not limited to:

DESCRIPTION
Employment Related Practices Exclusion
Total Pollution Exclusion
Professional Liability Exclusion
Retained Limit

Binding Requirements:

DESCRIPTION
Subject to Receipt of a Currently Signed, Original Application
Subject to Fireworks are Excluded Until Underwritten and Approved. If Coverage is Desired, Please Forward a Copy of the Contract with the Pyrotechnic and Complete our Loss Control Questionnaire. Please Forward This Information at Least 30 Days Prior to the Event. Each Event Must be Separately Underwritten and Endorsed.
Subject to Acceptance or Rejection of Terrorism Insurance Coverage

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Typically extends over all underlying liability coverages quoted
Separate Aggregate Protection, commonly known as "SILO Aggregate", as respects to Coverage A only, applies the aggregate separately to each underlying coverage shown on the umbrella declarations
Special Note regarding renewal of the Umbrella Policy: Under the General Liability, Occurrence Coverage Part there is a \$250,000 sublimit for Sexual Molestation. The Umbrella policy excess limits are not triggered by the exhaustion of the underlying sublimit for sexual molestation, EXCEPT when specifically approved by your underwriter AND a minimum underlying limit of \$1,000,000 is purchased. In order to clarify the intent specific to the SUBLIMIT within the underlying General Liability policy, a Sexual Molestation exclusion will be attached to the Umbrella policy at renewal.

Premium	\$9,973.00
ESTIMATED PROGRAM COST	\$9,973.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	\$249.00

Subject to Audit: Not Auditable

Coverage: Cyber Liability
Carrier: BCS Insurance Company
Policy Period: 12/31/2019 to 12/31/2020

Form Number: 94.200 (07/19)

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Cyber Liability	Claims Made	Not Applicable	Not Applicable

Defense Limitations:

COVERAGE TYPE	DEFENSE COST DOLLAR LIMIT	DEFENSE COST TYPE / COMMENTS
Cyber Liability	Applies	Other / Inside the Limit of Liability

Coverage:

DESCRIPTION	AMOUNT
Policy Limits of Liability and Coverages Purchased:	-
I. Aggregate Limit of Liability (Aggregate for Each and Every Claim or Event including Claims Expenses)	\$1,000,000
II. Sublimit of Liability for Individual Coverage(s) Purchased	\$1,000,000
Per Claim Sublimit of Liability Includes Claim Expenses:	-
A. Privacy Liability (including Employee Privacy)	\$1,000,000
B. Privacy Regulatory Claims Coverage	\$1,000,000
C. Security Breach Response Coverage	\$1,000,000
D. Security Liability	\$1,000,000
E. Multimedia Liability	\$1,000,000
F. Cyber Extortion	\$1,000,000
G. Business Income and Digital Asset Restoration	-
1. Business Income Loss	\$1,000,000
2. Restoration Costs	\$1,000,000
3. Reputation Business Income Loss	\$1,000,000
4. Systems Integrity Restoration Loss *	\$250,000
H. PCI DSS Assessment	\$1,000,000
I. Electronic Fraud	-
1. Phishing Loss	\$50,000
2. Services Fraud Loss	\$100,000
3. Reward Fund Loss	\$50,000
4. Personal Financial Loss	\$250,000
5. Corporate Identify Theft Loss	\$250,000
6. Telephone Hacking Loss	\$100,000

Coverage:

DESCRIPTION	AMOUNT
7. Direct Financial Loss (Funds Transfer Fraud)	\$100,000
8. Cyber Deception**	\$100,000
Aggregate Sublimit Of Liability:	-
A. Privacy Liability (including Employee Privacy)	\$1,000,000
B. Privacy Regulatory Claims Coverage	\$1,000,000
D. Security Liability	\$1,000,000
E. Multimedia Liability	\$1,000,000
H. PCI DSS Assessment	\$1,000,000
III. Supplemental Limits: Sublimit of Liability	-
A. Court Attendance Costs	\$100,000
B. Bodily Injury / Property Damage Liability	\$250,000
C. TCPA	\$100,000
D. HIPAA Corrective Action Plan Costs	\$50,000
E. Post Breach Response	\$25,000
F. Independent Consultant	\$25,000
G. Outsourced Provider	\$250,000
H. Computer System	\$250,000
* e.g. bricking	
** e.g. social engineering	

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Retention	Retention (Including Claims Expenses):	-
Retention	A. Privacy Liability (including Employee Privacy) - Each Claim or Event	\$2,500
Retention	B. Privacy Regulatory Claims Coverage - Each Claim or Event	\$2,500
Retention	C. Security Breach Response Coverage - Each Claim or Event	\$2,500
Retention	D. Security Liability - Each Claim or Event	\$2,500
Retention	E. Multimedia Liability - Each Claim or Event	\$2,500
Retention	F. Cyber Extortion - Each Claim or Event	\$2,500
Retention	G. Business Income and Digital Asset Restoration - Each Claim or Event	\$2,500
Retention	H. PCI DSS Assessment - Each Claim or Event	\$2,500
Retention	I. Electronic Fraud	-
Retention	1. Phishing Loss - Each Claim or Event	\$2,500
Retention	2. Services Fraud Loss - Each Claim or Event	\$2,500
Retention	3. Reward Fund Loss - Each Claim or Event	\$2,500

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Retention	4. Personal Financial Loss - Each Claim or Event	\$2,500
Retention	5. Corporate Identify Theft Loss - Each Claim or Event	\$2,500
Retention	6. Telephone Hacking Loss - Each Claim or Event	\$2,500
Retention	7. Direct Financial Loss (Funds Transfer Fraud) - Each Claim or Event	\$2,500
Retention	8. Cyber Deception - Each Claim or Event	\$5,000
Retention	A. Privacy Liability (including Employee Privacy) - Aggregate	\$2,500
Retention	B. Privacy Regulatory Claims Coverage - Aggregate	\$2,500
Retention	C. Security Breach Response Coverage - Aggregate	\$2,500
Retention	D. Security Liability - Aggregate	\$2,500
Retention	E. Multimedia Liability - Aggregate	\$2,500
Retention	F. Cyber Extortion - Aggregate	\$2,500
Retention	G. Business Income and Digital Asset Restoration - Aggregate	\$2,500
Retention	H. PCI DSS Assessment - Aggregate	\$2,500
Retention	I. Electronic Fraud	-
Retention	1. Phishing Loss - Aggregate	\$2,500
Retention	2. Services Fraud Loss - Aggregate	\$2,500
Retention	3. Reward Fund Loss - Aggregate	\$2,500
Retention	4. Personal Financial Loss - Aggregate	\$2,500
Retention	5. Corporate Identify Theft Loss - Aggregate	\$2,500
Retention	6. Telephone Hacking Loss - Aggregate	\$2,500
Retention	7. Direct Financial Loss (Funds Transfer Fraud) - Aggregate	\$2,500
Retention	8. Cyber Deception - Aggregate	\$5,000
Deductible	Waiting Period	12 Hours

Claims Made Coverage:

Should you elect to change carriers (if a new retroactive date is provided) or non-renew this policy, a supplemental extended reporting endorsement may be available subject to policy terms and conditions. You must request the extended reporting period in writing to the carrier within ([Days To Extend]) days of the expiration date. The cost of this extended reporting period is [Percent Cost]% of the annual premium and is fully earned. The extended reporting period extends only to those claims made during the extended reporting period for wrongful acts that occurred prior to the expiration date and would have been covered by the policy. Claims must be reported to the carrier within ([Days To Report]) days of the end of the policy period. The extended reporting period does not increase the limits of liability and is subject to all policy terms, conditions and exclusions.

Definition of Claim:

DESCRIPTION
"Claim" means:
1. A Written Demand Received by "You" for Money or Services, Including the Service of a Civil Suit or Institution of Arbitration Proceedings;
2. Initiation of a Civil Suit Against "You" Seeking Injunctive Relief;
3. A Written Notice of an Alleged "Privacy Wrongful Act" or "Security Wrongful Act" from a Third Party.

Definition of Claim:

DESCRIPTION

4. Solely with Respect to Coverage B., A "Regulatory Claim" Made Against "You"; Or

5. Solely with Respect to Coverage H., Written Notice to "You" of a "Pci Dss Assessment".

Multiple "Claims" Arising from the Same or a Series of Related or Repeated "Wrongful Acts", Acts, Errors, Or Omissions or from any Continuing "Wrongful Acts", Acts, Errors or Omissions Shall be Considered a Single "Claim" for the Purposes of This Policy, Irrespective of the Number of Claimants or "You" Involved Therein. All Such Related "Claims" Shall be Deemed to Have Been First Made at the Time the Earliest Such "Claim" was Made or Deemed Made Under Section IX.A.

Incident or Claim Reporting Provision:

DESCRIPTION

Direct Reporting:

Immediately report all claims for the following lines of coverage to the breach consultant AND the insurance carrier
2 Steps:

#1 -Call Baker & Hostetler at the 24 hour Security Breach Hotline

1-866-288-1705

Baker & Hostetler LLP
45 Rockefeller Plaza
New York, NY 10111-0100

#2 -File your claim with the insurance carrier:

rpscyberclaims@clydeco.us
Clyde & Co. US LLP
101 Second Street, 24th Floor
San Francisco CA 94105

Run Off Provisions:

DESCRIPTION	LENGTH	% OF EXPIRING PREMIUM
Optional ERP	One Year (12 months)	100%

Endorsements include, but are not limited to:

DESCRIPTION

Cyber and Privacy Liability Insurance Policy - 94.111 (07/19)
Cyber and Privacy Liability Policy Form - 94.200 (07/19)
Cyber Deception Endorsement (If elected) - 94.510 IL (07/19)
Breach Response Team Endorsement - 94.805 (06/17)
Illinois Amendatory Endorsement - 94.801 IL (07/19)
Coverage for Certified Acts of Terrorism (Included only if Terrorism coverage is elected at 1% additional premium) - 94.551 (01 15)
War and Terrorism Endorsement - 94.552 IL (04 15)
Illinois Notice - BCSI-X010 IL (01 15)

Exclusions include, but are not limited to:

DESCRIPTION

Radioactive Contamination Exclusion - 94.103 (01 15)
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Exclusions include, but are not limited to:

DESCRIPTION
Nuclear Incident Exclusion - 94.102 (01 15)
Intentional acts of any current principal, partner, director or officer of "Your" Organization

Binding Requirements:

DESCRIPTION
Subject To:
-Cyber Liability and Privacy Coverage Renewal Application - Illinois
-Policyholder Disclosure Notice of Terrorism Insurance Coverage

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Total Premium Includes Cyber Deception \$130.00, TRIA \$27.00 (if Elected is 1% of the Total Premium)
Territorial Limits Worldwide
Retroactive Date Full Prior Acts
Choice of Law Illinois

Premium	\$2,750.00
ESTIMATED PROGRAM COST	\$2,750.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	INCLUDED

Subject to Audit: Not Auditable

Coverage: Crime

Carrier: Hanover Insurance Company

Policy Period: 12/31/2019 to 12/31/2020

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Crime	Discovery	Not Applicable	Not Applicable

Coverage:

DESCRIPTION	AMOUNT
Employee Theft	\$500,000
Forgery or Alteration	\$100,000
Inside Premises - Theft of Money and Securities	\$100,000
Inside Premises - Robbery or Safe Burglary of Other Property	\$100,000
Outside Premises	\$100,000
Computer Fraud	\$100,000
Funds Transfer Fraud	\$100,000
Money Order & Counterfeit Paper Currency	\$10,000

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Employee Theft	\$2,500
Deductible	Forgery or Alteration	\$1,000
Deductible	Inside Premises - Theft of Money and Securities	\$1,000
Deductible	Inside Premises - Robbery or Safe Burglary of Other Property	\$1,000
Deductible	Outside Premises	\$1,000
Deductible	Computer Fraud	\$1,000
Deductible	Funds Transfer Fraud	\$1,000
Deductible	Money Order & Counterfeit Paper Currency	\$250
Deductible	Funds Transfer - False Pretenses Coverage	\$5,000

Additional Coverage:

DESCRIPTION	AMOUNT
Add Faithful Performance of Duty Coverage for Government Employees	\$500,000
Funds Transfer - False Pretenses Coverage	\$25,000

Endorsements include, but are not limited to:

DESCRIPTION
Government Crime Policy (Discovery Form) -CR 00 26 05 06
Include Specified Non-compensated Officers as Employees -CR 25 08 08 07 Fill in: All board members and Trustees
Add Faithful Performance of Duty Coverage for Government Employees -CR 25 19 05 06
Delete Employee Exclusions (Endorsement 54) -181-1515 03/17
Amend Computer Fraud Insuring Agreement -181-1661 03/16
Funds Transfer - False Pretenses Coverage- 181-1663 03/16
State Endorsement(Illinois Changes) - CR 02 02 10 10

Exclusions include, but are not limited to:

DESCRIPTION
Third Party Employee Dishonesty
Government Action Exclusion
Accounting or Arithmetic Errors
Voluntary Parting of Property
Loss in which the existence of such loss is only proved by a profit and loss comparison or inventory records
Any theft or criminal act committed by a partner of the insured
Employee Dishonesty (does not apply to Employee Theft Coverage)

Binding Requirements:

DESCRIPTION
Signed Client authorization to bind

Premium	\$1,497.00
ESTIMATED PROGRAM COST	\$1,497.00

Coverage: Accidental Death and Dismemberment
Carrier: Starr Indemnity & Liability Company
Policy Period: 12/31/2019 to 12/31/2020

Form Number:

Form Type:

COVERAGE	FORM TYPE	RETROACTIVE DATE	PENDING & PRIOR DATE
Accidental Death and Dismemberment	Occurrence	Not Applicable	Not Applicable

Coverage:

DESCRIPTION	AMOUNT
Aggregate	\$250,000
Accidental Death and Dismemberment Benefit: Covered Person Principal Sum/Amount of Insurance	\$100,000
Loss Period	365 days from the date of the Covered Accident
Accidental Medical and Dental Expense Benefit : Total Benefit Maximum for all Accident Medical and Dental	\$100,000
- Loss Period (first Covered Expenses must be incurred within):	90 Days After the Covered Accident
- Benefit Period	1 Year from the Date of the Covered Accident
Disability Benefit - Maximum Benefit Period	26 Weeks
Disability Benefit - Amount of Benefit	\$300

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Accident Total Disability Benefit	\$1,000
Deductible	Disability Benefit : Waiting Period	7 Days

Endorsements include, but are not limited to:

DESCRIPTION
AH-20001 - Blanket Accident Insurance Policy
AH-20005 - Illinois Rider
AH-20007 - Administrative Change Rider
AH-20008 - Schedule of Benefits

Exclusions include, but are not limited to:

DESCRIPTION
War

Exclusions include, but are not limited to:

DESCRIPTION
Nuclear
Pollution

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Coinsurance: 100% of Usual and Customary Charges
Premium Payment is Due Within Twenty (20) Days from Effective Date
Accident Medical Expense Benefits are only payable: 1) for Usual and Customary Charges incurred after the Deductible has been met; 2) for those Medically Necessary Covered Expenses incurred by or on behalf of the Covered Person; 3) for Covered Expenses incurred within 365 days after the date of the Covered Accident
We will not pay more than the Benefit Maximum for all losses per Accidental Death & Dismemberment Covered Accident. If, in the absence of this provision, We would pay more than Benefit Maximum for all losses from one Accidental Death & Dismemberment Covered Accident, then the benefits payable to each person with a valid claim will be reduced proportionately, so the total amount We will pay is the Benefit Maximum.
Classes of Eligible Persons: All registered CERT Team Trainees of the Policyholder
Hazards Insured Against: Supervised and Sponsored Activities
Covered Activities: While Participating in supervised and sponsored CERT training program

Premium	\$1,250.00
ESTIMATED PROGRAM COST	\$1,250.00

Subject to Audit: Not Auditable

Coverage: Workers' Compensation

Carrier: Illinois Public Risk Fund

Policy Period: 1/1/2020 to 1/1/2021

Coverage:

DESCRIPTION	AMOUNT	BASIS
Coverage A - Workers' Compensation	Statutory	
Employers' Liability Limits - Bodily Injury by Accident	\$3,000,000	Each Accident
Employers' Liability Limits - Bodily Injury by Disease	\$3,000,000	Per Employee
Employers' Liability Limits - Bodily Injury by Disease	\$3,000,000	Policy Limit

Deductibles / Self-Insured Retention

TYPE	COVERAGE	AMOUNT
Deductible	Workers' Compensation	None

States:

DESCRIPTION	STATE
States Covered:	IL

Endorsements include, but are not limited to:

DESCRIPTION
Broad Form All States for Employee Travel - IPRF WC 00 001 18
Federal Employers' Liability Act Coverage Endorsement - IPRF WC 00 002 18
Foreign Voluntary Workers' Compensation and Employers' Liability For Traveling Employees - IPRF WC 00 003 18
Longshoremen's and Harbor Workers' Compensation Act Coverage - IPRF WC 00 004 18
Maritime Coverage - IPRF WC 00 005 18
Voluntary Compensation - IPRF WC 00 006 18

Exclusions include, but are not limited to:

DESCRIPTION
Bodily Injury Intentionally Caused by Insured
Bodily Injury to an Employee While Employed in Violation of Law
Owners or Officers

Binding Requirements:

DESCRIPTION
Client Authorization to Bind

Other Significant Terms and Conditions/Restrictions:

DESCRIPTION
Cancellation: In the event that the Policy is Cancelled prior to the expiration date, then the total annual premium will be 100% fully earned
As per Safety National Casualty Corp. Excess policy, and Illinois Public Risk Fund's By-Laws and Pooling Agreement
IPRF Safety Grant: \$6,863 - Deadline to use grant: December 1, 2020

Premium	\$75,770.00
Fees	
3% Administrative Fee	\$2,273.00
Total Fees	\$2,273.00
ESTIMATED PROGRAM COST	\$78,043.00
TRIA/TRIPRA PREMIUM (+ Additional Surcharges, Taxes and Fees as applicable)	INCLUDED

Subject to Audit: At Expiration

Auditable Exposures:

STATE	CLASS CODE	DESCRIPTION	EXPOSURE	RATE PER \$100
IL	5506	Street Maintenance	\$534,450	6.572
IL	7720	Policeman	\$1,221,611	1.667
IL	8380	Auto Repair	\$78,331	2.946
IL	8810	Clerical	\$873,064	0.102
IL	8868	School Professional	\$11,282	0.241
IL	9102	Parks NOC	\$385,731	2.632
IL	9410	Municipal Employees	\$208,017	3.319

Payroll Comparison:

STATE	CLASS CODE	DESCRIPTION	EXPIRING PAYROLL	RENEWAL PAYROLL	% CHANGE
IL	5506	Street Maintenance	\$481,723	\$534,450	10.95%
IL	7720	Policeman	\$1,186,250	\$1,221,611	2.98%
IL	8380	Auto Repair	\$72,128	\$78,331	8.60%
IL	8810	Clerical	\$853,689	\$873,064	2.27%
IL	8868	School Professional	\$10,900	\$11,282	3.50%
IL	9102	Parks NOC	\$378,949	\$385,731	1.79%
IL	9410	Municipal Employees	\$320,058	\$208,017	-35.01%
TOTAL PAYROLL			\$3,303,697	\$3,312,486	.27%

Rate Comparison

STATE	CLASS CODE	DESCRIPTION	EXPIRING RATE PER \$100	RENEWAL RATE PER \$100	% CHANGE
IL	5506	Street Maintenance	6.126	6.572	7%
IL	7720	Policeman	1.554	1.667	7%
IL	8380	Auto Repair	2.746	2.946	7%
IL	8810	Clerical	0.095	0.102	7%
IL	8868	School Professional	0.225	0.241	7%
IL	9102	Parks NOC	2.453	2.632	7%
IL	9410	Municipal Employees	3.094	3.319	7%

Village of Hawthorn Woods

Premium Summary

The estimated program cost for the options are outlined in the following table:

LINE OF COVERAGE	EXPIRING PROGRAM		PROPOSED PROGRAM	
	CARRIER	EXPIRING COST	CARRIER	ESTIMATED COST
Package	Premium TRIA Premium		Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$48,580 \$771 AP
Business Auto	Premium		Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$21,047
Umbrella	Premium TRIA Premium		Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$9,973 \$249 AP
Cyber Liability	Premium TRIA Premium		BCS Insurance Company (BCS Insurance Company)	\$2,750 Included
Crime	Premium		Hanover Insurance Company (Hanover Insurance Companies)	\$1,497
Accidental Death and Dismemberment	Premium		Starr Indemnity & Liability Company (Starr Indemnity & Liability Company)	\$1,250
Workers' Compensation	Premium Total Fees Estimated Cost RIA Premium		Illinois Public Risk Fund (Illinois Public Risk Fund)	\$75,770 \$2,273 \$78,043 Included
AJG Risk Management Fee				\$15,949
Total Estimated Program Cost				\$179,089

Village of Hawthorn Woods



Gallagher is responsible for the placement of the following lines of coverage:

- Quote from **Illinois Public Risk Fund (Illinois Public Risk Fund)** is valid until **1/1/2020**
- Quote from **Underwriters at Lloyd's London (Underwriters at Lloyd's London)** is valid until **12/31/2019**
- Quote from **Underwriters at Lloyd's London (Underwriters at Lloyd's London)** is valid until **12/31/2019**
- Quote from **BCS Insurance Company (BCS Insurance Company)** is valid until **12/31/2019**
- Quote from **Underwriters at Lloyd's London (Underwriters at Lloyd's London)** is valid until **12/31/2019**
- Quote from **Starr Indemnity & Liability Company (Starr Indemnity & Liability Company)** is valid until **12/31/2019**
- Quote from **Hanover Insurance Company (Hanover Insurance Companies)** is valid until **12/31/2019**

- Package**
- Business Auto**
- Umbrella**
- Cyber Liability**
- Crime**
- Accidental Death and Dismemberment**
- Workers' Compensation**

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.

Payment Plans

CARRIER	LINE OF COVERAGE	PAYMENT SCHEDULE	PAYMENT METHOD
Underwriters at Lloyd's London (Underwriters at Lloyd's London)	Package Business Auto Umbrella	Annual	Agency Bill
BCS Insurance Company (BCS Insurance Company)	Cyber Liability	Annual Pay	Agency Bill
Starr Indemnity & Liability Company (Starr Indemnity & Liability Company)	Accidental Death and Dismemberment	Annual Pay - Premium payment is due within twenty (20) days from effective dated unless otherwise stipulated.	Agency Bill
Illinois Public Risk Fund (Illinois Public Risk Fund)	Workers' Compensation	12 Equal Monthly Installments	Direct Bill
Hanover Insurance Company (Hanover Insurance Companies)	Crime	Annual pay 3rd year of 3 year term	Agency Bill

Coinsurance Illustration

Coinsurance Formula:

$$\text{Insurance Carried} \div \text{Insurance Required} \times \text{Loss} - \text{Deductible} = \text{Settlement}$$

Example of Coinsurance formula applied to a hypothetical loss situation:

Property Value	=	\$1,000,000
Coinsurance Amount	=	80%
Deductible	=	\$500
Insurance Required	=	\$800,000 (80% of \$1,000,000)
Insurance Carried	=	\$400,000
Loss Incurred	=	\$200,000

Settlement determined by applying the coinsurance formula:

$$\frac{\$400,000 \text{ (Insurance Carried)}}{\$800,000 \text{ (Insurance Required)}} \times \$200,000 \text{ (Loss)} - \$500 \text{ (Deductible)} = \$99,500 \text{ Settlement}$$

Note: If the property in the above example is insured for the full insurance required (\$800,000), the insured will recover \$199,500. In the above example, the insured will suffer a \$100,000 penalty for not being insured to the proper limit.

Carrier Ratings and Admitted Status

PROPOSED INSURANCE COMPANIES	A.M. BEST'S RATING & FINANCIAL SIZE CATEGORY *	ADMITTED/NON-ADMITTED **
BCS Insurance Company	A- VIII	Admitted
Hanover Insurance Company	A XV	Admitted
Illinois Public Risk Fund	NR (1)	Admitted
Starr Indemnity & Liability Company	A XIV	Admitted
Underwriters at Lloyd's London	A XV	Admitted

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

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

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

(1) The Illinois Public Risk Fund is a Self-Insured program established in 1985 solely for the purpose of providing Workers Compensation coverage to public entities in Illinois. Reinsurance is provided by Safety National Casualty Corporation which is rated A+ XV by A.M. Best

Proposal Disclosures

Proposal Disclosures

The following disclosures are hereby made a part of this proposal. Please review these disclosures prior to signing the Client Authorization to Bind or e-mail confirmation.

Proposal Disclaimer

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

Compensation Disclosure

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

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

In the event you wish to register a formal complaint regarding compensation Gallagher receives from insurers or third-parties, please contact Gallagher via e-mail at Compensation_Complaints@ajg.com or by regular mail at:

Chief Compliance Officer
Gallagher Global Brokerage
Arthur J. Gallagher & Co.
2850 Golf Rd.
Rolling Meadows, IL 60008

TRIA/TRIPRA Disclaimer

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

The TRIPRA program increases the amount needed in total losses by \$20 million each calendar year before the TRIPRA program responds from the 2015 trigger of \$100 million to \$200 million by the year 2020.

TRIPRA is set to expire on December 31, 2020. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2020. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

Client Signature Requirements



Coverages for Consideration

Overview

- A proposal for any of the coverages can be provided.
- The recommendations and considerations summarized in this section are not intended to identify all exposures.
- Since Gallagher does not handle your complete insurance program, these recommendations only reflect items within our scope of responsibility.

Umbrella

- Increased Limits

Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 11/22/2019, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	COVERAGE/CARRIER
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Package
	Underwriters at Lloyd's London
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	TRIA
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Business Auto
	Underwriters at Lloyd's London
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Umbrella
	Underwriters at Lloyd's London
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	TRIA
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Cyber Liability
	BCS Insurance Company
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	TRIA
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Crime
	Hanover Insurance Company
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	TRIA
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Accidental Death and Dismemberment
	Starr Indemnity & Liability Company
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	TRIA
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Workers' Compensation
	Illinois Public Risk Fund
<i>TRIA Cannot Be Rejected</i>	

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those addressed in the coverage considerations included in this proposal, please list below:

Producer/ Insured Coverage Amendments and Notes:

Exposures and Values

We confirm the payroll, values, schedules, and other data contained in the proposal, and submitted to the underwriters, are compiled from our records and we acknowledge it is our responsibility to see that they are maintained accurately. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies.

Provide Quotations or Additional Information on the Following Coverage Considerations:

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By rejecting a quotation for this valuable coverage, you understand that there will be no coverage and agree to hold Gallagher harmless in the event of a loss.

Umbrella

Yes No - Increased Limits

Fee Agreement: *In lieu of / In addition to* commission received by Gallagher for the policy term reflected herein, Gallagher will receive a fee of: **\$15,949.00** for:

This fee IS NOT refundable, is fully earned by signing below, and is due and payable within thirty (30) days of such signing. Any placements that require the payment of additional state or federal taxes and/or fees are the client's responsibility.

By accepting this fee agreement, we agree and understand that it reflects services to be provided that have been discussed with and fully disclosed to us, and the above fee is consistent with our understanding. This agreement and any disputes that arise out of this fee agreement shall be governed by the laws of the state of Illinois.

Gallagher's liability to Client arising from any acts or omissions of Gallagher shall not exceed \$20 million in the aggregate. Gallagher shall only be liable for actual damages incurred by Client, and shall not be liable for any indirect, consequential or punitive damages or attorneys' fees. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with this Agreement or any Services provided hereunder may be brought by either party any later than two (2) years after the accrual of such claim or cause of action.

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

I have read, understand and agree that the above-information is correct and has been disclosed to us prior to authorizing Gallagher to bind coverage and/or provide services to us.

By: _____
Print Name (Specify Title)

Company

Signature

Date: November 25, 2019

Appendix



Village of Hawthorn Woods

Bindable Quotations & Compensation Disclosure Schedule

Client Name: Village of Hawthorn Woods

COVERAGE(S)	CARRIER NAME(S)	WHOLESALE, MGA, OR INTERMEDIARY NAME ¹	EST. ANNUAL PREMIUM ²	COMM. % OR FEE ³	GALLAGHER U.S. OWNED WHOLESALER, MGA, OR INTERMEDIARY %
Package Property General Liability Law Enforcement Liability Public Officials Liability Employment Practices Liability	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	Brit Global Specialty USA	\$48,580	0 %	*
Business Auto	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	Brit Global Specialty USA	\$21,047	0 %	*
Umbrella	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	Brit Global Specialty USA	\$9,973	0 %	*
Cyber Liability	BCS Insurance Company (BCS Insurance Company)	Risk Placement Services	\$2,750	15 %	7.5 %
Crime	Hanover Insurance Company (Hanover Insurance Companies)	Arthur J Gallagher - Itasca	\$1,497	0 %	20 %
Accidental Death and Dismemberment	Starr Indemnity & Liability Company (Starr Indemnity & Liability Company)	Risk Placement Services	\$1,250	10 %	10 %
Workers' Compensation	Illinois Public Risk Fund (Illinois Public Risk Fund)	Boyle, Flagg and Seaman, Inc. (BF&S Insurance)	\$78,043	0 %	3 %
AJG Risk Management Fee				\$15,949	

Village of Hawthorn Woods



- 1 We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.
- 2 If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.
 - * A verbal quotation was received from this carrier. We are awaiting a quotation in writing.
- 3 The commission rate is a percentage of annual premium excluding taxes & fees.
 - * Gallagher is receiving ___% commission on this policy. The fee due Gallagher will be reduced by the amount of the commissions received.

Binding Requirements

COVERAGE (ISSUING CARRIER)	BINDING REQUIREMENT
<p>Package Underwriters at Lloyd's London</p>	<p>Package – Property/ GL/ Law / PO / EPL - Receipt of a currently signed, original application and signed statement of values prior to inception date.</p> <p>Package / Property/ GL - - Signed on TRIA Form</p> <p>Property - - If not already provided, please provide the year built for all locations and square footage for at least buildings with a limit of \$500,000 or greater so that Insurance to Value Calculations can be performed if coverage is bound, or submit a recent appraisal. Also advise the date of updates to roofing, plumbing, heating and electrical systems for all buildings over 35 years old</p> <p>Property - - Please send name of street and occupancy if insured decides that it should remain on the property schedule.</p> <p>General Liability - Fireworks are excluded until underwritten and approved. If coverage is desired, please forward a copy of the contract with the pyrotechnic and complete our loss control questionnaire. Please forward this information at least 30 days prior to the event. Each event must be separately underwritten and endorsed</p>
<p>Business Auto Underwriters at Lloyd's London</p>	<p>Subject to:</p> <ul style="list-style-type: none"> - Receipt of a currently signed, original application prior to inception date - Signed Uninsured/Underinsured Motorist Selection/Rejection Form Must be received by Underwriters Prior to Inception Date
<p>Umbrella Underwriters at Lloyd's London</p> <p>Crime Hanover Insurance Company</p>	<p>Subject to Receipt of a Currently Signed, Original Application</p> <p>Subject to Fireworks are Excluded Until Underwritten and Approved. If Coverage is Desired, Please Forward a Copy of the Contract with the Pyrotechnic and Complete our Loss Control Questionnaire. Please Forward This Information at Least 30 Days Prior to the Event. Each Event Must be Separately Underwritten and Endorsed.</p> <p>Subject to Acceptance or Rejection of Terrorism Insurance Coverage</p> <p>-Cyber Liability and Privacy Coverage Renewal Application - Illinois</p> <p>-Policyholder Disclosure Notice of Terrorism Insurance Coverage</p> <p>Signed Client authorization to bind</p>
<p>Accidental Death and Dismemberment Starr Indemnity & Liability Company</p>	<p>N/A</p>
<p>Workers' Compensation Illinois Public Risk Fund</p>	<p>Client Authorization to Bind</p>

Claims Reporting By Policy

Direct Reporting

Immediately report all claims for the following lines of coverage to the insurance carrier.

Package, Business Auto, Umbrella Brit Global Specialty USA
Alternative Service Concepts/BRIT Dedicated Team Support Person
Phone#: 615-360-1358
Fax#: 1-877-721-1855
Email: <mailto:Britpackagefirstclaims@ascrisk.com>

Cyber Liability
BCS Insurance Company
Phone #: 1-855-217-5204
Email : RPSCyberClaims@bakerlaw.com

Clyde & Co US LLP
101 Second Street, 24th Floor
San Francisco, CA 94105
24 Hour Security Breach Hotline
1-855-217-5204

Baker & Hostetler LLP
45 Rockefeller Plaza
New York, NY 10111-010

Crime
Hanover Insurance Company
Phone#: 800-628-0250
Fax#: 800-399-4734
Email: firstreport@hanover.com

Volunteer Accident
Starr Indemnity and Liability Company
1601 Market Street, Suite 1800
Philadelphia, PA 19103
Fax: 888-329-5677

Workers' Compensation
Illinois Public Risk Fund
Phone #: 1-844-522-6082 24/7

CORE360™ Loss Control Portal



Insurance | Risk Management | Consulting



Reduce Your Risk and Simplify Training

Safety training programs and educational materials for employees are critical for reducing accidents, increasing retention and minimizing your total cost of risk now and in the future.

Gallagher's **CORE360™ Loss Control Portal** is our proprietary Learning Management System (LMS) that supports your safety program, provides real time access to your loss control plans and keeps employees up to date with the latest safety standards.

Key benefits of CORE360™ Loss Control Portal:

- **Access** up to 10 modules of your choice from a library of over 100 training and safety shorts. In addition, monthly bulletins are available covering topics such as General and Environmental Safety, Human Resources and Health and Wellness.
- **Save** valuable time by assigning employee training and monitoring their latest progress and completion.
- **Simplify** the process of training to stay in compliance and avoid costly penalties.
- **Onboard** and train an unlimited number of users while enhancing your overall risk control program.
- **Customize** your platform with your company's logo, training content and modules tailored to your business, and personalized procedures and forms for an added fee.

Please visit
ajg.com/LossControlPortal to learn more.

Most Popular Training Modules:

- Sexual Harassment and Discrimination
- Slip, Trip and Fall Training
- Electrical Safety Training
- Back Safety Training
- Bloodborne Pathogens
- Safe Lifting Practices
- Defensive Driving Basics
- Fire Prevention Basics
- Personal Protective Equipment
- GHS Hazard Communication

Gallagher
CORE360



Gallagher CORE360™ Loss Control Portal provides a comprehensive approach of evaluating your risk, developing a program that leverages our analytical skills and diverse resources for customized, measurable training and cost-efficient your total cost of risk.



eRiskHub® Overview and Login Information

The evolution of the cyber risk landscape has brought with it broad, sweeping regulations to address cybersecurity exposures. This digital transformation also presents new risks, including financial losses, for every industry. Gallagher's Cyber Practice delivers expertise alongside cyber risk management and insurance placement services, as well as a better way to construct risk management solutions. CORE360™ — our comprehensive approach of evaluating our client's risk management program — leverages our analytical tools and diverse resources for customized, maximum impact on six cost drivers of their total cost of risk. First, we consult with you to understand all of your actual and potential costs, then find the best options to reallocate these costs based on strategic actionable insights empowering you to know, control and minimize your total costs increasing profitability.

Additionally, our data-driven CORE360™ approach allows us to implement programs for your business that will increase safety, minimize losses, mitigate claims and proactively analyze your cyber risk posture.

To access the Gallagher | eRiskHub® now:

1. Navigate to <https://eriskhub.com/gallagher>
2. Complete the new user registration at the bottom of the page. Choose your own user ID and password. The access code is 447597.
3. After registering, you can access the hub immediately using your newly created credentials in the member login box located at the top right of the page.

Key Features of the Gallagher | eRiskHub®

- **Gallagher Cyber Risk Due Diligence** — A six-step process designed to walk clients through a simple, thought-provoking framework to encourage organizational communication, establish clear direction and highlight priorities to better understand your cyber risk profile.
- **Risk Manager Tools** — A collection of tools with many different purposes such as researching known breach events, calculating your potential cost of a breach event and downloading free sample policies your organization can use as templates.
- **News Center** — Keeps you up to date on what is going on in the world of cyber risk through handpicked articles, feeds and blogs.
- **Learning Center** — An extensive collection of white papers, articles, webinars, videos and blog posts on a variety of topics. (Looking for something specific? Try the search box at the top right of the page to search the entire Gallagher | eRiskHub®.)
- **Security & Privacy Training** — An overview of best practices for creating an effective security training program for employees.
- **Strategic Third-Party Relationships and Partner Resources** — Information on third-party vendors that can assist your organization with improving your overall cyber risk.

As cyber risk evolves, so does our commitment to thought leadership. Our global cyber teams focus exclusively on cyber risk, and uniquely position Gallagher to share our knowledge, expertise and experience for the benefit of our clients.

If you have any questions about the Gallagher | eRiskHub®, please reach out to your broker.

The Gallagher Way. Since 1927.

The information contained herein is offered as insurance industry guidance and provided as an overview of current market rates and available coverages and is intended for descriptive purposes only. This publication is not intended to offer legal advice or legal specialization, management advice, or descriptions of insurance coverages that relate to internet specific coverages that your company may already have in place or that may be generally available. General insurance descriptions, regardless of how they include complete insurance policy definitions, terms, and conditions, are not intended to be relied on for coverage interpretation. Any insurance policies must always be consulted for full coverage details and exclusions.

Insurance programs and rates shown here to be provided by Arthur J. Gallagher Risk Management Services, Inc. (License No. 086009) and/or any affiliate Arthur J. Gallagher & Co. Insurance Brokerage of California, Inc. (License No. 01282031)

Cyber Liability

Appended Documents





Arthur J. Gallagher & Co.

November 20, 2019

Village of Hawthorn Woods
2 Lagoon Drive
Hawthorn Woods, IL 60047

Re: Workers Compensation
01/01/2020 - 01/01/2021
Illinois Public Risk Fund

In addition to the proposal and in the interest of providing you insurance consistent with your requirements, we have confirmed that Workers Compensation coverage is available from Illinois Public Risk Fund.

This company is a Illinois Public Risk Fund sponsored by Boyle, Flagg and Seaman Insurance. Your affiliation with Arthur J. Gallagher Risk Management Services, Inc. qualifies you to place coverage with this company. Because this company is a highly specialized market, only offering coverage to members of Illinois, we will use this company only with your approval. The following information is available for your review:

AM Best for Safety National Casualty Corporation
Illinois Public Risk Fund By Laws
Illinois Public Risk Fund Pooling Agreement
Illinois Public Risk Fund Financial Stability Rating

Please review this and other available information with your accountant and/or attorney to assist you in judging the acceptability of this carrier.

If you should have any questions, please do not hesitate to contact me.

Sincerely,


Ethan Salsinger
Producer

The undersigned, a duly authorized officer or representative acting in said capacity, acknowledges receipt of the information contained herein. Notwithstanding this information, the undersigned hereby authorizes and directs Arthur J. Gallagher & Co. and any of its subsidiary companies to bind the coverage outlined above.

By: 
Name

Mayor
Title

Joseph Mancino
Print Name

November 25, 2019
Date

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE – PACKAGE POLICY**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism, to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission, and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS UNDER THE FORMULA. THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

PLEASE ALSO BE AWARE THAT YOUR POLICY DOES NOT PROVIDE COVERAGE FOR ACTS OF TERRORISM THAT ARE NOT CERTIFIED BY THE SECRETARY OF THE TREASURY.

Acceptance or Rejection of Terrorism Insurance Coverage

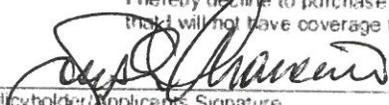
You must accept or reject this insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, before the effective date of this policy. Your coverage cannot be bound unless our representative has received this form signed by you on behalf of all insureds with all premiums due.

Coverage acceptance.

I hereby elect to purchase coverage for certified acts of terrorism as defined in Section 102(1) of the Act for a prospective annual premium of \$771. I understand that I will not have coverage resulting from any non-certified acts of terrorism.

Coverage rejection.

I hereby decline to purchase coverage for certified acts of terrorism, as defined in Section 102(1) of the Act. I understand that I will not have coverage for any losses arising from certified or non-certified acts of terrorism.


Policyholder/Applicant's Signature
Must be person authorized to sign for all insureds

November 25, 2019
Date Signed

Print Name and Title

Joseph Mancino, Mayor

Policy Number

Name of Insured:
Village of Hawthorn Woods
2 Lagoon Drive
Hawthorn Woods, IL 60047

Policy Period: December 31, 2019 to December 31, 2020

Producer:
Arthur J. Gallagher - Rolling Meadows
2850 Golf Road
Rolling Meadows, IL 60008

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE – UMBRELLA POLICY**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

PLEASE ALSO BE AWARE THAT YOUR POLICY DOES NOT PROVIDE COVERAGE FOR ACTS OF TERRORISM THAT ARE NOT CERTIFIED BY THE SECRETARY OF THE TREASURY.

Acceptance or Rejection of Terrorism Insurance Coverage

Coverage acceptance.

I hereby elect to purchase coverage for certified acts of terrorism as defined in Section 102(1) of the Act for a prospective annual premium of \$249 I understand that I will not have coverage resulting from any non-certified acts of terrorism.

Coverage rejection.

I hereby decline to purchase coverage for certified acts of terrorism, as defined in Section 102(1) of the Act. I understand that I will not have coverage for any losses arising from certified or non-certified acts of terrorism.

Policyholder/Applicant's Signature
Must be person authorized to sign for all insureds

Date Signed

Print Name and Title

Policy Number

Name of Insured

Village of Hawthorn Woods
2 Lagoon Drive
Hawthorn Woods, IL 60047

Policy Period: December 31, 2019 to December 31, 2020

Producer:

Arthur J. Gallagher - Rolling Meadows
2850 Golf Road

Rolling Meadows, IL 60008

ILLINOIS UNINSURED MOTORISTS COVERAGE AND UNDERINSURED MOTORISTS COVERAGE SELECTION/REJECTION

Policy Number:	Policy Effective Date:
Company:	Producer:
Applicant/Named Insured:	

Illinois law permits you to make certain decisions regarding Uninsured Motorists Coverage and Underinsured Motorists Coverage. This document describes these coverages and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorists Coverage and Underinsured Motorists Coverage and your options with respect to these coverages.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations page(s) and/or Schedule(s) for complete information on the coverages you are provided.

Please indicate your choice from **A.** and **B.** by initialing next to the appropriate item(s) and signing below.

A. Bodily Injury Uninsured And Underinsured Motorists Coverages

Bodily Injury Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury caused by an automobile accident. Also included are damages due to bodily injury that result from an automobile accident with a hit-and-run vehicle whose owner or operator cannot be identified.

Bodily Injury Underinsured Motorists Coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an underinsured motor vehicle because of bodily injury caused by an automobile accident.

Every automobile liability policy must include Bodily Injury Uninsured Motorists Coverage at limits equal to your limits for Bodily Injury Liability Coverage or Combined Single Limit for Liability Coverage except as described below.

If your Bodily Injury Liability Coverage limits exceed \$25,000 for each person/\$50,000 for each accident or a Combined Single Limit of \$50,000 for each accident, you may select limits that are lower than your Bodily Injury Liability Coverage limits or Combined Single Limit for Liability Coverage for your Bodily Injury Uninsured Motorists Coverage BUT you may not select Bodily Injury Uninsured Motorists Coverage limits less than \$25,000 for each person/\$50,000 for each accident or a Combined Single Limit of \$50,000 for each accident.

Underinsured Motorists Coverage will be provided to you ONLY IF your Bodily Injury Uninsured Motorists Coverage limits are greater than \$25,000 for each person/\$50,000 for each accident or a Combined Single Limit of \$50,000 for each accident. When provided, your Bodily Injury Underinsured Motorists Coverage limits will be equal to your Uninsured Motorists Coverage limits.

Please indicate your choice by initialing next to the appropriate item(s) if you are selecting Uninsured Motorists Coverage at limits less than the Bodily Injury Liability limits of your policy.

(Initials)		I reject Bodily Injury Uninsured Motorists Coverage at limits equal to my Bodily Injury Liability Coverage (split limits) or Combined Single Limit for Liability Coverage and select the following lower limits.		
				
(Choose one):				
(Initials)	Split Limits	OR	(Initials)	Combined Single Limit
_____	\$ 25,000/50,000*		_____	\$ 50,000*
_____	50,000/100,000		_____	100,000
_____	100,000/300,000		_____	250,000
_____	250,000/500,000		_____	300,000
_____	500,000/1,000,000		_____	350,000
_____	\$ _____		_____	500,000
	(Other)		_____	1,000,000
			_____	\$ _____
				(Other)
* IF YOU CHOOSE THIS LIMIT, BODILY INJURY UNDERINSURED MOTORISTS COVERAGE WILL NOT BE PROVIDED.				

B. Notice Of Availability Of Property Damage Uninsured Motorists Coverage

Property Damage Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of injury to or destruction of a covered auto caused by an automobile accident. However, Property Damage Uninsured Motorists Coverage is available only for autos for which you have not purchased Collision Coverage.

Please indicate your choice by initialing next to the appropriate item(s) below.

(Initials)	I select Property Damage Uninsured Motorists Coverage at a limit of \$15,000 for the following vehicle(s).
	(Specify Year/Make/Model):

	Premium: \$
	I reject Property Damage Uninsured Motorists Coverage.



Signature Of Applicant/Named Insured

11/25/19
Date

BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, IL 60181

CYBER LIABILITY AND PRIVACY COVERAGE RENEWAL APPLICATION - Illinois

94.003 IL (07/19)

CERTAIN COVERAGES OFFERED ARE LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND NOTIFIED TO US DURING THE POLICY PERIOD AS REQUIRED. CLAIM EXPENSES SHALL REDUCE THE APPLICABLE LIMITS OF LIABILITY AND ARE SUBJECT TO THE APPLICABLE RETENTION(S). PLEASE READ THE POLICY CAREFULLY.

"You", "Your" Company, and "Applicant" mean all corporations, organizations or other entities, including subsidiaries, proposed for this insurance.

I. GENERAL INFORMATION

Name of Applicant	Village of Hawthorn Woods
Mailing Address	2 Lagoon Drive
City	Hawthorn Woods
State	Illinois
ZIP Code	60047
Description of Applicant's Operations	Government

II. REVENUES

Indicate the following as it relates to the "Applicant"'s fiscal year end (FYE):	Most Recent FYE	Prior FYE
Operating expenditures for the most recent Financial Year End	\$8,105,738	\$8,183,650

* With respect to the information required to be disclosed in response to the questions above, the proposed insurance will not afford coverage for any claim arising from any fact, circumstance, situation, event or act about which any executive officer of the "Applicant" had knowledge prior to the issuance of the proposed policy, nor for any person or entity who knew of such fact, circumstance, situation, event or act prior to the issuance of the proposed policy.

FRAUD WARNING

A policy may not be rescinded, defeated or voided unless the misrepresentation is stated in policy, endorsement or rider attached thereto, or in the written application therefore, and was made with the actual intent to deceive, or materially affected either the acceptance of the risk or the hazard assumed by the company.



Signature of Applicant's Authorized Representative

Joseph Mancino
Name (Printed)

Mayor
Title

11/25/19
Date

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

94.553 (01/15)

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS.

UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Insurance Coverage

- I hereby elect to purchase terrorism coverage for a prospective premium of \$27.00
- I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.



Policyholder/Applicant's Signature

Insurance Company

Joseph Mancino

Print Name

Policy Number

11/25/19

Date

**PUBLIC OFFICIALS LIABILITY COVERAGE FORM
CLAIMS-MADE COVERAGE**

Public Officials Liability coverage applies only if limits are shown in **Item 11** of the Declarations.

Within this Coverage Form, the word "insured" means any person or organization qualifying as such under PUBLIC OFFICIALS—WHO IS AN INSURED.

SECTION I—COVERAGES

1. INSURING AGREEMENT

We will pay on behalf of the insured all "loss" resulting from "public officials wrongful act(s)" but only with respect to "claims" first made against the insured during the "policy period" or Extended Reporting Period. The "public officials wrongful acts" must occur within the "coverage territory." There is no coverage for "public officials wrongful act(s)" which occur during the Extended Reporting Period.

2. DEFENSE AND SUPPLEMENTARY PAYMENTS

We will have the right and duty to defend any "suit" against the insured even if any of the allegations of the "suit" are groundless, false or fraudulent. We may make such investigation of any "claim" or "suit" as we deem expedient. We will not be obligated to pay any "claim" or judgment or to defend any "suit" after the applicable limit of our liability has been exhausted by payment of judgments or settlements.

The insured, except at its own cost and for its own account, will not, without our written consent, make any payment, admit any liability, settle any "claim," assume any obligation, or incur any expense.

We will have the right, but no duty, to appeal any judgment.

We will pay, in addition to the applicable Limit of Liability:

- a. All expenses incurred by us, and all interest on the entire amount of any judgment therein, which does not exceed the limit of our liability;
- b. All reasonable expenses incurred by the insured at our request to assist in the investigation or defense of a "claim" or "suit." Expenses, as used here, do not include salaries of your officers or employees, except for

actual loss of earnings, up to \$100 a day, because of time off from work;

- c. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Liability, we will not pay any prejudgment interest based on that period of time after the offer;
- d. Premium on appeal bonds required in any "suit" defended by us and the cost of attachment or similar bonds.

SECTION II—EXCLUSIONS

We will not be obligated to make any payment nor to defend any "suit" in connection with any "claim" made against the insured:

1. Based upon or attributable to any insured gaining profit, advantage or remuneration to which the insured is not entitled;
2. For any damage arising from "bodily injury," sickness, emotional distress, mental anguish, disease or death of any person, or for damage to or destruction of any property, including diminution of value or loss of use thereof;
3. "Law Enforcement Activities"
"Bodily injury", "property damage" or "personal and advertising injury":
 - a. Arising out of any aspect of "law enforcement activities" or operations, including but not limited to, the operation, licensure, maintenance of or use of jails, jail premises, adult or juvenile detention or holding facilities;
 - b. Arising out of any act or omission connected in any way, either directly or indirectly, to the supervision, management or oversight of "law enforcement activities", police departments, law enforcement agencies, law enforcement agents or "employees", members of

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- commissions, boards, vendors or their "employees", volunteers, including "volunteer workers", units operating under a mutual aid agreement or under the jurisdiction of the insured; or anyone or any entity performing "law enforcement activities"; or
- c. Arising from any decisions or actions in connection with funding or failure to fund for "law enforcement activities".
4. As a result of a strike, riot, civil commotion, or mob action;
 5. Arising out of:
 - a. any "public officials wrongful act" which takes place prior to the "policy period" if the insured had knowledge of circumstances which could reasonably be expected to give rise to a "claim"; or
 - b. any "loss" for which the insured is entitled to indemnity or payment by reason of having given notice of any circumstances which might give rise to a "claim" under any policy or policies the term of which has expired prior to the inception date of this policy;
 - c. any claim arising out of pending or prior litigation or hearing, as well as future "claims" arising out of any pending or prior litigation or hearing. If this policy is a renewal of a policy issued by the Company, this exclusion shall only apply with respect to "claims" arising out of any pending or prior litigation or hearing, prior to the effective date of the first policy issued and continuously renewed by the Company.
 6. For "claim(s)," demands, or actions seeking relief or redress in any form other than monetary damages, or for any fees, costs or expenses which the insured may become obligated to pay as a result of any adverse judgment for declaratory relief or injunctive relief; however, we will afford defense to the insured for such actions, "claim(s)," "suit(s)" or demands in which monetary damages are requested if not otherwise excluded;
 7. For "claim(s)" arising from:
 - a. procurement of goods or services;
 - b. construction contracts;
 - c. architectural or engineering contracts;
 - d. the process of bidding or awarding contracts; or
 - e. liability assumed by the insured under any contract or agreement, unless the insured would have been legally liable in the absence of such contract or agreement;
 8. Based upon or attributable to any failure or omission of the insured to effect or maintain insurance of any kind;
 9. Employment Related Practices

For "claims", demands or actions seeking relief or redress in any form by:

 - A. Any person, or any class of persons, arising out of any:
 - (1) Type of employment-related practices, policies, acts or omissions, including but not limited to, coercion, demotion, evaluation, reassignment, malicious prosecution, discipline, libel, slander, invasion of privacy, defamation, "harassment", humiliation, or "discrimination" involving or directed at any person; including any verbal, physical, mental or emotional abuse resulting from or arising out of such employment-related practices, policies, acts or omissions;
 - (2) Failure or refusal to employ, train, or promote that person;
 - (3) Dismissal, discharge or termination of that person's employment or membership, whether actual or constructive;
 - (4) Retaliatory action against volunteers or "volunteer workers", or "employees", for the exercise, or not exercising, any legally protected right, or for engaging in any legally protected activity, including but not limited to, actions of:
 - (A) Performing or declining to perform an unethical or illegal act;
 - (B) Filing a complaint or bringing "suit" against you or anyone else;
 - (C) Testifying against any insured at a legal proceeding;
 - (D) Notifying a proper authority of any aspect of your operation that is illegal;
 - (5) Violation of any Federal, state or local law (common law or statutory) concerning employment or any employment-related practice, policy or procedure described in (1) above, or if insurance is prohibited by law; or
 - B. The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in paragraphs (1), (2), (3), (4) or (5) above is directed;

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C. Any person or any class of person arising out of any "discrimination" or "harassment" directly or indirectly related to:

- (1) The past employment, employment or prospective employment by any insured;
- (2) Any fines, penalties, specific performance, or injunctions levied or imposed by a governmental entity, governmental code, law or statute because of "discrimination" or "harassment".

This Employment Related Practices exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs a. (1), (2), (3), (4) or (5) above occurs before employment or after employment of that person;
 - (2) Whether the insured may be liable as an employer or in any other capacity; and
 - (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.
10. For any damages arising out of the providing of, or failure to provide, professional services to anyone other than the Named Insured by any member of the medical profession, or by any lawyer, architect, engineer or accountant;
11. By the Named Insured or on its behalf.
12. Aircraft, Auto or Watercraft

For claims 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 insured. Use includes operation and "loading or unloading".

This exclusion applies even if the "loss" or "claim" against any insured allege negligence in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal injury" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

13. Any "loss" or "claim(s)" arising during the policy period for damages resulting directly or indirectly from your failure to remedy dangerous circumstances or conditions known to you prior to the policy period.
14. For libel, slander, defamation, invasion of privacy, wrongful eviction, assault, battery, malicious prosecution or abuse of process;

SECTION III—PUBLIC OFFICIALS—WHO IS AN INSURED

Each of the following is an insured:

1. You;
2. All persons who were, now are, or will be your lawfully elected, appointed or employed officials;
3. Members of commissions, boards or other units operated by you and under your jurisdiction and within apportionment of the total operating budget indicated in the application form, provided that the insurance afforded will not extend to any of the following boards, commissions or units: airports, transit authorities, hospitals, municipally owned gas companies, housing authorities or port authorities;
4. All your employees and all persons who perform service on a volunteer basis for you and under your direction and control;
5. Any persons providing services to you under any mutual aid or similar agreement; and
6. The estates, heirs, legal representative or assigns of deceased persons who were insureds at the time of a "public officials wrongful act(s)" but only to the extent that they would otherwise be provided coverage under this Coverage Form.

However none of the following are insureds under this Coverage Form:

1. Any insured, including you, with respect to the operation of boards, commissions or other units, the members of which are not afforded coverage under 3. above; and
2. All persons or entities who are on retainer, are a consultant or are under contract for services, for any insured.

SECTION IV—LIMITS OF LIABILITY

Regardless of the number of insureds under this Coverage Form, persons or organizations who sustain damages payable under this Coverage Form, and/or "suit(s)" brought under this Coverage Form, our liability is limited as follows:

1. The Limit of Liability stated on the Declarations as applicable to each "public officials wrongful act" is the limit of our liability for all "loss" arising out of one "public officials wrongful act" covered by this Coverage Form.
2. The Limit of Liability stated on the Declarations as applicable to the Annual Aggregate is subject to the above provision respecting each "public officials wrongful act" and is

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the maximum limit of our liability for each "policy period." In no event will our total Limit of Liability be increased for any Extended Reporting Period.

3. Subject to the Limits of Liability stated above, we will only be liable to pay for damages in excess of the "deductible" shown on the Declarations for each and every "public officials wrongful act." In the event we expend funds either for damages or "loss adjustment expense" on behalf of the insured, we will be reimbursed for such expenditures up to the amount of the "deductible" shown on the Declarations. Upon written demand by us, the amount of such "deductible" will be payable to us within thirty (30) days.
4. "Claims" based on or arising out of the same act or interrelated acts of one or more insured(s) will be considered to be based on a single "public officials wrongful act" and only one each "public officials wrongful act" Limit of Liability and only one "deductible" will be applicable to such single "public officials wrongful act."

SECTION V—CONDITIONS

1. Settlement.

We will not settle any "suit" without the insured's consent. If, however, the insured refuses to consent to any settlement, and shall elect to contest the "claim" or continue any legal proceedings in connection with such "claim," our liability for the "claim" shall not exceed the amount for which the "claim" could have been so settled, plus "loss adjustment expense" incurred up to the date of such refusal.

2. Insured's Duties In The Event Of A "Claim" Or "Suit."

- a. In the event of a "claim," written notice containing particulars sufficient to identify the insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, will be given by or for the insured to us or any of our authorized agents as soon as practicable;
- b. If a "claim" is made or a "suit" is brought against the insured, the insured will as soon as practicable forward to us every demand, notice, summons or other process received by them or their representative;
- c. The insured will cooperate with us and, at our request, consent to being examined and questioned by a representative of ours, under oath if necessary, attend hearings, depositions and trials and will assist in effecting settlement, securing and giving evidence,

obtaining the attendance of witnesses and in the conduct of "suit(s)," as well as in the giving of written statement or statements to our representatives and defense. In the event of a "claim" occurring likely to involve us hereunder, the insured will not make any payment, assume any liability or incur any expense without our consent first being obtained. We will have full discretion in the handling of any "claim," and the insured will give full information and assistance as we may reasonably require.

3. Awareness Provision.

- a. If, during the "policy period" or the Extended Reporting Period, the insured receives oral notice from any party that it is the intention of such party to hold the insured responsible for any "public officials wrongful act(s)," the insured will give written notice to us of the receipt of such oral notice, during the "policy period" or Extended Reporting Period. Any "claim(s)" made against the insured arising out of such "public officials wrongful act(s)" will, for the purpose of this Coverage Form, be treated as a "claim" made during the "policy period" in which such notice was given, or, if given during the Extended Reporting Period, as a "claim" made during the last "policy period";
- b. For the purpose of the above clause, notice to the designee named on the Declarations will constitute notice to the insured;
- c. In the event of any "claim" occurring hereunder, notice to us will be given to the person or firm(s) shown on the Declarations. Notice will be deemed to be received if sent by prepaid mail, properly addressed.

SECTION VI—DEFINITIONS

Whenever used in this Coverage Form, the following words have these meanings:

1. "Claim" means a written notice from any party that it is their intention to hold an insured responsible for "loss" resulting from a "public officials wrongful act" covered by this Coverage Form.
2. "Deductible" means the amount shown in on the Declarations that the insured must contribute to "loss" and "loss adjustment expense."
3. "Loss" means any monetary amount which the insured is legally obligated to pay as a result of "public officials wrongful act" covered by this Coverage Form and will in-

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clude, but not be limited to, judgments and settlements, but "loss" will not include fines imposed by law, or matters which may be deemed uninsurable under the law pursuant to which this Coverage Form will be construed.

4. "Loss adjustment expense" means all expenditures including, but not limited to, costs of investigations, experts, adjustment services, legal services and court costs incurred by us as a result of coverage afforded by this Coverage Form. "Loss Adjustment Expense" will not include salaries of our employees.

5. "Public officials wrongful act" means:

Any actual or alleged:

- a. error or omission, neglect or breach of duty by the insured;
- b. violation of civil rights protected under 42 USC 1981 et sequential; or
- c. violation of any state civil rights law;

which arises out of the discharge of duties for you, individually or collectively.

6. "Suit" means a civil proceeding in which monetary damages are alleged because of a "public officials wrongful act" to which this Coverage Form applies. "Suit" includes:
- a. an arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

SECTION VII—EXTENDED REPORTING PERIOD—BASIC AND OPTIONAL SUPPLEMENTAL

1. An Extended Reporting Period, described below, will be provided if this Coverage Form is canceled or non-renewed by us, except for nonpayment of premium, or if we renew or replace coverage with insurance that:
 - a. has a retroactive date; or
 - b. provides coverage on other than a Claims-Made basis.
2. A Basic Extended Reporting Period is automatically provided without additional charge. This period begins at the end of the "policy period" and lasts for sixty (60) days. The

Basic Extended Reporting Period does not apply to "claim(s)" covered under any subsequent policy.

3. Coverage for an optional Supplemental Extended Reporting Period must be added by endorsement and an additional premium charge must be paid. Such period starts sixty (60) days after the end of the "policy period."
4. You will have a one-time option to elect the period of time for which the Supplemental Extended Reporting Period will apply, which in no event will exceed thirty-six (36) months. The available one-time options and the additional premium charge for each option are listed below:
 - a. Twelve (12) month option—70% of the Annualized Coverage Form Premium;
 - b. Twenty-four (24) month option—120% of the Annualized Coverage Form Premium;
 - c. Thirty-six (36) month option—150% of the Annualized Coverage Form Premium.

Once in effect, the Supplemental Extended Reporting Period may not be canceled and the applicable premium is fully earned.

5. This right to purchase the Supplemental Extended Reporting Period will terminate unless written notice is given to us no later than sixty (60) days after the effective date of cancellation or nonrenewal of this Coverage Form. Payment in full of the Supplemental Extended Reporting Period premium and any outstanding premiums or recoveries owed to us will be made concurrently with such written notice for such Supplemental Extended Reporting Period to become effective.
6. The Extended Reporting Period does not extend the "policy period" or change the scope of coverage provided. Subject to this Coverage Form's terms, Limits of Liability, exclusions and conditions, this Coverage Form is extended to apply to "claim(s)" first made against the insured during the Basic Extended Reporting Period, or, if purchased, the Supplemental Extended Reporting Period, but only to "claim(s)" due to "public officials wrongful act(s)" committed prior to the end of the "policy period."
7. The Extended Reporting Period does not reinstate or increase this Coverage Form's Limits of Liability. "Claim(s)" which are first received and recorded during the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if it is in effect, will be deemed to have been made on the last day of the "policy period."

**EMPLOYMENT PRACTICES LIABILITY COVERAGE FORM
CLAIMS-MADE COVERAGE**

Employment Practices Liability coverage applies only if limits are shown in **Item 13** of the Declarations.

Within this Coverage Form, the word "insured" means any person or organization qualifying as such under EMPLOYMENT PRACTICES LIABILITY—WHO IS AN INSURED.

SECTION I—COVERAGES

1. INSURING AGREEMENT

We will pay on behalf of the insured all "loss" resulting from "employment practices wrongful act(s)" but only with respect to "claims" first made against the insured during the "policy period" or Extended Reporting Period. The "employment practices wrongful act(s)" must occur within the "coverage territory." There is no coverage for "employment practices wrongful act(s)" which occur during the Extended Reporting Period.

2. DEFENSE AND SUPPLEMENTARY PAYMENTS

We will have the right and duty to defend any "suit" against the insured even if any of the allegations of the "suit" are groundless, false or fraudulent. We may make such investigation of any "claim" or "suit" as we deem expedient. We will not be obligated to pay any "claim" or judgment or to defend any "suit" after the applicable limit of our liability has been exhausted by payment of judgments or settlements.

The insured, except at its own cost and for its own account, will not, without our written consent, make any payment, admit any liability, settle any "claim," assume any obligation, or incur any expense.

We will have the right, but no duty, to appeal any judgment.

We will pay, in addition to the applicable Limit of Liability:

- a. All expenses incurred by us, and all interest on the entire amount of any judgment therein, which does not exceed the limit of our liability;
- b. All reasonable expenses incurred by the insured at our request to assist in the investigation or defense of a "claim" or "suit." Expenses, as used here, do not include salaries of your officers or employees, except for

actual loss of earnings, up to \$100 a day, because of time off from work;

- c. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Liability, we will not pay any prejudgment interest based on that period of time after the offer;
- d. Premium on appeal bonds required in any "suit" defended by us and the cost of attachment or similar bonds.

SECTION II—EXCLUSIONS

We will not be obligated to make any payment nor to defend any "suit" in connection with any "claim" made against the insured:

1. Based upon or attributable to any insured gaining profit, advantage or remuneration to which the insured is not entitled;
2. For any damage arising from "bodily injury," sickness, disease or death of any person, or for damage to or destruction of any property, including diminution of value or loss of use thereof; however, for the purpose of this exclusion, "bodily injury" does not include emotional distress or mental anguish;
3. For assault and battery; except for reasonable force used to protect persons or property.
4. Alleging any violation of civil rights other than employment related civil rights;
5. Arising out of:
 - a. any "employment practices wrongful act(s)" which takes place prior to the "policy period" if the insured had knowledge of circumstances which could reasonably be expected to give rise to a "claim"; or

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- b. any "loss" for which the insured is entitled to indemnity or payment by reason of having given notice of any circumstances which might give rise to a "claim" under any policy or policies the term of which has expired prior to the inception date of this policy;
 - c. any claim arising out of pending or prior litigation or hearing, as well as future "claims" arising out of any pending or prior litigation or hearing. If this policy is a renewal of a policy issued by the Company, this exclusion shall only apply with respect to "claims" arising out of any pending or prior litigation or hearing, prior to the effective date of the first policy issued and continuously renewed by the Company.
6. Based upon or arising out of:
- a. any activity for which the insured is acting in a fiduciary capacity; or
 - b. any activity concerning an "employee benefit plan", welfare plan or retirement plan, or self insurance fund, including any obligation under the Employee Retirement Income Security Act, or COBRA, and any subsequent amendments thereto or any similar local, state or federal law or regulation.
 - c. any liability assumed by the insured under any contract or agreement, unless the insured would have been legally liable in the absence of such contract or agreement;
7. For "claim(s)," demands, or actions seeking relief or redress in any form other than monetary damages, or for any fees, costs or expenses which the insured may become obligated to pay as a result of any adverse judgment for declaratory relief or injunctive relief; however:
- a. We will afford defense to the insured for such actions, "claim(s)," "suit(s)" or demands in which monetary damages are requested if not otherwise excluded; and
 - b. We will indemnify the insured for reasonable costs and fees incurred in the defense of "suit(s)" seeking relief or redress in any form other than monetary damages by reason of an "employment practices wrongful act" which is otherwise covered by this policy, in accordance with the following additional provisions:
 - (1) The insured must report each circumstance which could reasonably be expected to give rise to a "suit" to us during the "policy period" or within the Basic Extended Reporting Period;
 - (2) We will have no duty to investigate or defend any such "suit(s)," but we will have the right, at our option and expense, to investigate or take over the defense of any such "suit(s)";
 - (3) We will only be liable to pay for reasonable costs and fees in excess of the "deductible" amount shown in Item 14. of the Declarations. We will have no obligation to pay any salary expense of the insured;
 - (4) The limit of our liability for all such cost and fees will not exceed \$10,000 for each "suit" arising out of an "employment practices wrongful act," not to exceed \$50,000 for each "policy period";
 - (5) "Claim(s)" based on or arising out of the same act or interrelated acts of one or more insured(s) will be considered to be based on a single "employment practices wrongful act"; and
 - (6) The Limit of Liability applicable to this provision is in addition to the Limits of Liability otherwise stated in the coverage form;
8. By the Named Insured or on its behalf;
9. For back wages, overtime or similar "claim(s)," even if designated as liquidated damages, under any federal, state or local statutes, rules, ordinances or regulations, if such "claim(s)" arise out of a "employment practices wrongful act" committed prior to the effective date of this policy; or for "claim(s)" arising from collective bargaining agreements;
10. Aircraft, Auto or Watercraft
- For claims 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 insured. Use includes operation and "loading or unloading".
- This exclusion applies even if the "loss" or "claim" against any insured allege negligence in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal injury" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

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SECTION III—EMPLOYMENT PRACTICES LIABILITY—WHO IS AN INSURED

Each of the following is an Insured:

1. You;
2. All persons who were, now are, or will be your lawfully elected, appointed or employed officials;
3. Members of commissions, boards or other units operated by and under your jurisdiction and within apportionment of the total operating budget indicated in the application form, provided that the insurance afforded will not extend to any of the following boards, commissions or units: airports, transit authorities, hospitals, municipally owned gas companies, housing authorities or port authorities;
4. All employees and all persons who perform service on a volunteer basis for you and under your direction and control; and
5. The estates, heirs, legal representative or assigns of deceased persons who were insureds at the time of an "employment practices wrongful act(s)" but only to the extent that they would otherwise be provided coverage under this Coverage Form.

However none of the following are insured(s) under this Coverage Form:

1. Any insured, including you, with respect to the operation of boards, commissions or other units, the members of which are not afforded coverage under 3. above; and
2. All persons or entities who are on retainer, are a consultant or are under contract for services, for any insured.

SECTION IV—LIMITS OF LIABILITY

Regardless of the number of insured(s) under this Coverage Form, persons or organizations who sustain damages payable under this Coverage Form, and/or "suit(s)" brought under this Coverage Form, our liability is limited as follows:

1. The Limit of Liability stated on the Declarations as applicable to each "employment practices wrongful act" is the limit of our liability for all "loss" arising out of one "employment practices wrongful act" covered by this Coverage Form.

2. The Limit of Liability stated on the Declarations as applicable to the Annual Aggregate is subject to the above provision respecting each "employment practices wrongful act" and is the maximum limit of our liability for each "policy period." In no event will our total Limit of Liability be increased for any Extended Reporting Period.
3. Subject to the Limits of Liability stated above, we will only be liable to pay for damages in excess of the "deductible" shown on the Declarations for each and every "employment practices wrongful act." In the event we expend funds either for damages or "loss adjustment expense" on behalf of the insured, we will be reimbursed for such expenditures up to the amount of the "deductible" shown on the Declarations. Upon written demand by us, the amount of such "deductible" will be payable to us within thirty (30) days.
4. "Claims" based on or arising out of the same act or interrelated acts of one or more insured(s) will be considered to be based on a single "employment practices wrongful act" and only one each "employment practices wrongful act" Limit of Liability and only one "deductible" will be applicable to such single "employment practices wrongful act."
5. Subject to the Limits of Liability stated above, we will only be liable to pay \$10,000 for damages in excess of \$5,000 for back wages, overtime, or similar "claims" arising out of each "employment practices wrongful act," even if designated as liquidated damages under any federal, state or local statutes, rules, ordinances or regulations. This limit is part of, and not in addition to, the limits shown in Item 13. of the Declarations. Any payments made hereunder will be included in the Annual Aggregate limit of liability stated on the Declarations.
6. Workplace Violence Counseling

We will reimburse you up to \$5,000 in any one "policy period" for expenses you incur for the counseling of "employees" of the Named Insured when that counseling is necessary due to an incident of "Workplace Violence." The "deductible" does not apply to this coverage.

"Workplace Violence" as applicable to this extension means the intentional use of, or threat to use, deadly force by any person with the intent to cause harm; and that results in "bodily injury" or death of a person while on that Named Insured's described premises.

SECTION V—CONDITIONS

1. Settlement.

We will not settle any "suit" without the insured's consent. If, however, the insured refuses to consent to any settlement, and shall elect to contest the "claim" or continue any legal proceedings in connection with such "claim," our liability for the "claim" shall not exceed the amount for which the "claim" could have been so settled, plus "loss adjustment expense" incurred up to the date of such refusal.

2. Insured's Duties In The Event Of A "Claim" Or "Suit."

- a. In the event of a "claim," written notice containing particulars sufficient to identify the insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, will be given by or for the insured to us or any of our authorized agents as soon as practicable;
- b. If a "claim" is made or a "suit" is brought against the insured, the insured will as soon as practicable forward to us every demand, notice, summons or other process received by them or their representative;
- c. The insured will cooperate with us and, at our request, consent to being examined and questioned by a representative of ours, under oath if necessary, attend hearings, depositions and trials and will assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of "suit(s)," as well as in the giving of written statement or statements to our representatives and defense. In the event of a "claim" occurring likely to involve us hereunder, the insured will not make any payment, assume any liability or incur any expense without our consent first being obtained. We will have full discretion in the handling of any "claim," and the insured will give full information and assistance as we may reasonably require.

3. Awareness Provision.

- a. If, during the "policy period" or the Extended Reporting Period, the insured receives oral notice from any party that it is the intention of such party to hold the insured responsible for any "public officials wrongful act(s)," the insured will give written notice to us of the receipt of such oral notice, during the "policy period" or Extended Reporting Period. . Any "claim(s)" made against the insured arising out of such "public officials

wrongful act(s)" will, for the purpose of this Coverage Form, be treated as a "claim" made during the "policy period" in which such notice was given, or, if given during the Extended Reporting Period, as a "claim" made during the last "policy period";

- b. For the purpose of the above clause, notice to the designee named on the Declarations will constitute notice to the insured;
- c. In the event of any "claim" occurring hereunder, notice to us will be given to the person or firm(s) shown under Item 16. of the Declarations. Notice will be deemed to be received if sent by prepaid mail, properly addressed.

SECTION VI—DEFINITIONS

Whenever used in this Coverage Form, the following words have these meanings:

1. "Claim" means:

- a. A written notice from any party that it is their intention to hold the insured responsible for "loss" resulting from an "employment practices wrongful act" covered by this Coverage Form; and
- b. Any notice that requires you to attend an administrative hearing conducted by the EEOC or by any state agency with a similar purpose.

2. "Deductible" means the amount shown on the Declarations that the insured must contribute to "loss" and "loss adjustment expense."

3. "Employee benefit plans" means a formal program or programs of "employee" benefits maintained in connection with your operations, such as but not limited to Group Life Insurance, Group Accident or Health Insurance, Pension Plans, Savings Plans, Employee Stock Plans, Paid Time Off or Vacation Plans, provided that no one other than an "employee" may subscribe to such insurance or plans. This term also includes workers' compensation and unemployment insurance, social security benefits, workers' compensation and disability benefits or other statutorily required plans.

4. "Employment practices wrongful act(s)" means:

- Any actual or alleged;
- a. Refusal to employ;

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- b. Termination of employment; or
- c. False arrest, false imprisonment, libel, slander, defamation, harassment, humiliation, discrimination, invasion of privacy, wrongful eviction, malicious prosecution, abuse of process, or any other act, omission or policy;

based upon or attributable to anyone's employment or application for employment by you;

5. "Loss" means any monetary amount which the insured(s) is legally obligated to pay as a result of "employment practices wrongful act(s)" covered by this Coverage Form and will include, but not be limited to, judgments and settlements, but "loss" will not include fines imposed by law, or matters which may be deemed uninsurable under the law pursuant to which this Coverage Form will be construed.
6. "Loss adjustment expense" means all expenditures including, but not limited to, costs of investigations, experts, adjustment services, legal services and court costs incurred by us as a result of coverage afforded by this Coverage Form. "Loss adjustment expense" will not include salaries of our employees.
7. "Suit" means a civil proceeding in which monetary damages are alleged because of an "employment practices wrongful act" to which this Coverage Form applies. "Suit" includes:
 - a. an arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

SECTION VII—EXTENDED REPORTING PERIOD—BASIC AND OPTIONAL SUPPLEMENTAL

1. An Extended Reporting Period, described below, will be provided if this Coverage Form is canceled or non-renewed by us, except for nonpayment of premium, or if we renew or replace coverage with insurance that:
 - a. has a retroactive date; or
 - b. provides coverage on other than a Claims-Made basis.
2. A Basic Extended Reporting Period is automatically provided without additional charge. This period begins at the end of the "policy period" and lasts for sixty (60) days. The

Basic Extended Reporting Period does not apply to "claim(s)," covered under any subsequent policy.

3. Coverage for an optional Supplemental Extended Reporting Period must be added by endorsement and an additional premium charge must be paid. Such period starts sixty (60) days after the end of the "policy period."
4. You will have a one-time option to elect the period of time for which the Supplemental Extended Reporting Period will apply, which in no event will exceed thirty-six (36) months. The available one-time options and the additional premium charge for each option are listed below:
 - a. Twelve (12) month option—70% of the Annualized Coverage Form Premium;
 - b. Twenty-four (24) month option—120% of the Annualized Coverage Form Premium;
 - c. Thirty-six (36) month option—150% of the Annualized Coverage Form Premium.

Once in effect, the Supplemental Extended Reporting Period may not be canceled and the applicable premium is fully earned.

5. This right to purchase the Supplemental Extended Reporting Period will terminate unless written notice is given to us no later than sixty (60) days after the effective date of cancellation or nonrenewal of this Coverage Form. Payment in full of the Supplemental Extended Reporting Period premium and any outstanding premiums or recoveries owed to us will be made concurrently with such written notice for such Supplemental Extended Reporting Period to become effective.
6. The Extended Reporting Period does not extend the "policy period" or change the scope of coverage provided. Subject to this Coverage Form's terms, Limits of Liability, exclusions and conditions, this Coverage Form is extended to apply to "claim(s)" first made against the insured during the Basic Extended Reporting Period, or, if purchased, the Supplemental Extended Reporting Period, but only to "claim(s)," due to "employment practices wrongful act(s)" committed prior to the end of the "policy period."
7. The Extended Reporting Period does not reinstate or increase this Coverage Form's Limits of Liability. "Claim(s)," which are first received and recorded during the Basic Extended Reporting Period" or the Supplemental Extended Reporting Period, if it is in effect, will be deemed to have been made on the last day of the "policy period."

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