

PUBLIC ENTITY LIABILITY

This is a Master Coverage Document under which an individual Certificate Holder's **Declarations** (hereafter referred to as "**Declarations**") are issued to the **Named Member** identified on each **Declarations**. A **Named Member** must be a member in good standing with the Colorado Special District Association with all dues paid throughout the Coverage Period before coverage will be provided hereunder. The Insuring Agreements below apply to general liability, automobile liability, automobile uninsured/underinsured motorists and professional liability exposures. Defined terms appear in boldface type. Any discrepancies which may exist between the terms and conditions of this Coverage Document and the provisions of the Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool will be governed by the Intergovernmental Agreement.

I. COVERAGE AGREEMENTS

In accordance with and subject to the provisions of the Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool and in consideration of the contribution for which this Coverage Document is written, and except where specifically provided otherwise within this Coverage Document, the **Pool** will pay on behalf of the **Member** those sums which the **Member** shall be legally obligated to pay as **damages** because of **bodily injury, personal injury, property damage** or a **wrongful act(s)** as follows:

Coverage A: Liability for **claims, suits, occurrences** or **wrongful act(s)** which lie in **tort** or could lie in **tort** pursuant to the Colorado Governmental Immunity Act, C.R.S. §24-10-101, et seq.

Coverage B: Liability for any **wrongful act(s)** pursuant to any federal or state law affording protection for civil rights and/or federal or state securities laws.

Coverage C: **Bodily injury, personal injury** and **property damage**, caused by or arising out of an **occurrence** for which the **Member** is legally liable under the laws of any jurisdiction within the coverage territory, other than the State of Colorado, to which this Coverage Document applies.

Coverage D: Liability for any **wrongful act(s)** arising from **employment practices, employment related harassment** and/or from the **administration** of **employee benefits program(s)** and sustained by an employee, prospective employee, former employee or their beneficiaries or legal representatives and occurring during the Coverage Period.

Coverage E: Those sums the **Member** is legally entitled to recover as **damages** for **bodily injury**, except **bodily injury** involving a vehicle not owned or leased by a **Named Member**, from the owner or driver of an **uninsured motor vehicle**, pursuant to and as limited by C.R.S. §10-4-609 and other applicable provisions of the Colorado Revised Statutes. The **damages** must result from **bodily injury** sustained by the **Member** caused by an **occurrence**, and such owner's or driver's liability must result from the ownership, maintenance or use of the **uninsured motor vehicle**.

Coverage F: Medical Payments

The **Pool** will pay medical expenses for **bodily injury** caused by an **occurrence** on premises the **Member** owns or rents, or on ways next to premises the **Member** owns or rents, or because of the **Member's** operations provided that:

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

The **Pool** will make these payments regardless of fault. These payments will not exceed the applicable Limit of Liability. The **Pool** will pay reasonable expenses for:

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

The **Pool** will NOT pay any medical expense for **bodily injury**:

1. To any **Member** or to any person hired to do work for or on behalf of any **Member**;
2. To a person injured on that part of premises the **Member** owns or rents that the person normally occupies;
3. To a person, whether or not an employee of any **Member**, if benefits for the **bodily injury** are payable or must be provided

under a workers' compensation or disability benefits law or a similar law;

4. To a person injured while taking part in athletics; or
5. Excluded in any other section of this Coverage Document.

Coverage G: Auto Medical Payments

- A. The **Pool** will pay reasonable expenses incurred for necessary medical and funeral services to or for a **Member** who sustains **bodily injury** caused by an **accident**. The **Pool** will pay only those expenses incurred, for services rendered within three years from the date of the **accident**.
- B. Who is covered under this Coverage G:
 1. The **Member** while **occupying** or, while a pedestrian, when struck by any **auto**;
 2. If the **Member** is an individual, any family **member** while **occupying** or, while a pedestrian, when struck by any **auto**;
 3. Anyone else occupying a **covered auto** or a temporary substitute for a **covered auto**. The **covered auto** must be out of service because of its breakdown, repair, servicing, loss or destruction.

The Pool will NOT pay any auto medical payments for:

1. **Bodily Injury** sustained by a **Member** while occupying a vehicle located for use as a premises;
2. **Bodily injury** sustained by the **Member** or any **family member** while occupying or struck by any vehicle (other than a **covered auto**) owned by the **Member** or furnished or available for the **Member's** regular use;
3. **Bodily injury** sustained by any **family member** while occupying or struck by any vehicle (other than a **covered auto**) owned by or furnished or available for the regular use of any **family member**;
4. **Bodily injury** to the **Named Member's** employee arising out of and in the course of employment by the **Named Member**. However, the Pool will cover **bodily injury** to the **Named Member's** domestic employees if not entitled to workers' compensation benefits;
5. **Bodily injury** to a **Member** while working in a business of selling, servicing, repairing or parking **autos** unless that business is the business of the **Named Member**;

6. **Bodily injury** arising directly or indirectly out of:
 - a. War including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. **Bodily injury** to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. **Bodily injury** sustained by a **Named Member** while occupying any covered auto while used in any professional racing or demolition contest or stunting activity, while practicing for such contest or activity, or while the auto is being prepared for such a contest or activity.

COVERAGES A, B, C, D, E, F AND G APPLY TO BODILY INJURY, PERSONAL INJURY, PROPERTY DAMAGE OR A WRONGFUL ACT(S) ONLY IF:

- A. **The bodily injury, personal injury, property damage or wrongful act(s)** is caused by an **occurrence** that takes place in the coverage territory; and
- B. **The bodily injury, personal injury, property damage or wrongful act(s)** occurs during the Coverage Period; and
- C. Prior to the Coverage Period, no **Member** authorized by the **Named Member** to give or receive notice of an **occurrence** or **claim**, knew that the **bodily injury, personal injury, property damage or a wrongful act(s)** had occurred, in whole or in part. If such a **Member** knew, prior to the Coverage Period, that **bodily injury, personal injury, property damage or a wrongful act(s)** occurred, then any continuation, change or resumption of such **bodily injury, personal injury, property damage or a wrongful act(s)** during or after the Coverage Period will be deemed to have been known prior to the Coverage Period.
- D. **Bodily injury, personal injury, property damage or wrongful act(s)** which occurs during the Coverage Period and was not, prior to the Coverage Period, known to have occurred by any **Member** authorized by the **Named Member** to give or receive notice of an **occurrence** or **claim**, includes any continuation, change or resumption of that **bodily injury, personal injury, property damage or wrongful act(s)** after the end of the Coverage Period.

- E. **Bodily injury, personal injury, property damage** or a **wrongful act(s)** will be deemed to have been known to have occurred at the earliest time when any **Member** authorized by the **Named Member** to give or receive notice of an **occurrence** or **claim**:
1. Reports all, or any part, or the **bodily injury, personal injury, property damage** or a **wrongful act(s)** to the Pool or any other insurer;
 2. Receives a written or verbal demand or claim for damages because of the **bodily injury, personal injury, property damage** or **wrongful act(s)**; or
 3. Becomes aware by any other means that **bodily injury, personal injury, property damage** or a **wrongful act(s)** has occurred or has begun to occur.

DEFENSE

The **Pool** shall have the right and duty to defend any **claim, action** or **suit** against the **Member** seeking **damages**, even if any of the allegations of the **claim, action** or **suit** are groundless, false or fraudulent, and the **Pool** may make such investigation and settlement of any such **claim, action** or **suit** as it deems expedient. The **Pool** shall have the right, but no duty, to appeal any judgment.

II. LIMITS OF LIABILITY

- A. The limits of liability and the rules shown below fix the most the **Pool** will pay regardless of the number of:
1. **Members** covered under this Coverage Document;
 2. **Claims, action** or **suit** made or brought;
 3. Persons or organizations making **claims** or bringing **action** or **suit**;
 4. Additional Coverages and other special coverage grants offered; or
 5. With respect to Coverage E, **covered autos, claims** made or vehicles involved in an **occurrence**.
- B. An each **Occurrence** Limit of \$1,000,000 is the most the **Pool** will pay for the sum of all **damages** under Coverage A, Coverage B, Coverage C and Coverage D whether one or more of these Coverages are involved in a single covered **occurrence** and/or **wrongful act** except for **claims, occurrences, action** or **suit** to which the monetary limits of the Colorado Governmental Immunity Act, C.R.S. §24-10-101, et seq., as amended, apply, there shall be a further sub-limit in

the amount of:

1. \$150,000 for an injury to any one person in any single **occurrence**; and
2. \$600,000 for an injury to two or more persons in any single **occurrence** but in the event of an injury to two or more persons in any single **occurrence**, the sub-limit shall not exceed \$150,000 for each injured person.

The **Named Member** will be responsible for reimbursing the **Pool** for any deductible(s) that may apply.

- C. An each **Occurrence** Limit of \$1,000,000 is the most the **Pool** will pay for the sum of all **damages** under Coverage E. However, in no event will the **Pool** pay more than the least of (1) this Limit of Liability; (2) the amount of **damages** sustained but not recovered; or (3) the difference between this Limit of Liability and all amounts paid to a **Member** by or for anyone legally liable for **damages** resulting from **bodily injury**, including all sums paid under Coverage A.
- D. The most the **Pool** will pay for medical expenses under Coverage F. because of **bodily injury** is \$ 10,000 any one person, \$10,000 any one **occurrence**.
- E. The most the **Pool** will pay for auto medical payments under Coverage G. because of **bodily injury** are \$10,000 any one person, \$10,000 any one **occurrence**.
- F. Subject to paragraphs B., C., and D. above, an Annual Aggregate Limit of \$ Nil is the most the **Pool** will pay for all **damages** from all covered **occurrences** or **claims** taking place during the Coverage Period.
- G. With respect to the Additional Coverages and other specific coverage grants provided within this Coverage Document, each **Occurrence** and Annual Aggregate limits of liability stated are subject always to the each **Occurrence** and Annual Aggregate limits of liability, as presented in paragraphs B., C., D. and E. above, arising from a single covered **occurrence** or **claim**, or from all covered **occurrences** and **claims** during the Coverage Period.
- H. Unless stated otherwise within any Additional Coverage or other special coverage grant, defense costs are in addition to the each **Occurrence** and Annual Aggregate total limits of liability shown in the Declarations.
- I. The limits of liability apply separately to each consecutive annual period, and to any remaining period of less than twelve (12) months, starting with the beginning of the Coverage Period shown in the **Declarations**, unless the Coverage Period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding annual period for purposes of determining the limits of liability.
- J. The **Pool** shall not be obligated to pay any **claim** or judgment or to defend any

such **claim, action** or **suit** after the applicable Limit of Liability shown on the **Member's Declarations** has been exhausted by payment of judgments or settlements.

III. SUPPLEMENTARY PAYMENTS

With respect to any **claim, action, or suit** that is covered under this Coverage Document that the **Pool** investigates or defends, the **Pool** will pay:

- A. All expenses the **Pool** incurs.
- B. Up to \$300 for cost of bail bonds required because of **occurrences** or traffic law violations arising out of the use of any vehicle to which this Coverage Document applies. The **Pool** does not have to apply for or furnish these bonds.
- C. The cost of bonds to release attachments in any **action** or **suit** against a **Member** the **Pool** defends, but only for bond amounts within the applicable limits of liability. The **Pool** does not have to apply for or furnish these bonds.
- D. Reasonable expenses incurred by the **Member** at the **Pool's** request to assist the **Pool** in the investigation or defense of the **claim, action** or **suit** including the actual loss of earnings up to \$300 a day because of time off work.
- E. All costs taxed against the **Member** in the **action** or **suit**.
- F. Prejudgment interest awarded against the **Member** on that part of the judgment the **Pool** pays. If the **Pool** makes an offer to pay the applicable **Limit of Liability**, the **Pool** will not pay any prejudgment interest based on that period of time after the offer.
- G. All interest on the full amount of any judgment that accrues after entry of the judgment and before the **Pool** has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Liability.

Except with respect to Coverage E, the **Pool's** costs and expenses in defense of a **claim, action** or **suit** are in addition to, and not included within, the stated limits of liability.

IV. ADDITIONAL COVERAGES

The following Additional Coverages are provided by the **Pool** to a **Member**. Unless otherwise indicated in this Section IV, the **Pool** has no other obligation to the **Member** to provide coverage or pay for defense or supplementary payments.

Any additional limits of liability purchased from the **Pool** by a **Named Member** in excess of those limits of liability stated in Section II. LIMITS OF LIABILITY, will not apply to these Additional Coverages. All other terms, conditions and exclusions of this Coverage Document apply to the Additional Coverages unless otherwise expressly indicated.

Additional Coverage A: Sexual Molestation, Tortuous Physical or Sexual Contact

Subject to the following provisions, and notwithstanding Exclusion X, the **Pool** will pay a maximum of \$1,000,000 in the aggregate for all **occurrences** or **claims, actions** or **suits** in any one Coverage Period the **Named Member** is legally liable to pay as **damages** for any **claim, action** or **suit** of sexual molestation, tortuous physical or sexual contact against the **Named Member** as a result of vicarious liability emanating from the activities of another **Member**.

Damages shall be deemed to have occurred at the time of the initial sexual molestation, tortuous physical or sexual contact and all such **damages** shall be deemed to be one **occurrence** whether committed by the same perpetrator, or two or more perpetrators acting in concert, and without regard to the number of incidents or injured persons of sexual molestation, tortuous physical or sexual contact taking place thereafter.

The **Pool** will also defend any **Member(s)** accused of committing an act of sexual molestation, tortuous physical or sexual contact. However, the **Pool's** obligation to defend ends when the **Member** is found guilty or innocent by a court judgment or other final adjudication of such charges or the **Member** admits guilt.

Notwithstanding the above, the **Pool's** duty to defend any **Member** is predicated on the **Named Member's** legal obligation to defend any **Member** under the provisions of Colorado law.

Additional Coverage B: Pre-Loss Legal Assistance

Upon prior approval of the **Claims Administrator**, the cost of pre-loss legal assistance which is available for any potential **occurrence** that could lead to a future **claim, action** or **suit** under this Coverage Document. This is subject to a limit of \$2,000 any one **occurrence**, not to exceed \$4,000 per **Member** each Coverage Period.

Additional Coverage C: Bonds and/or Securities

Notwithstanding the provisions of Exclusion Q., the **Pool** will pay a maximum of \$1,000,000 in the aggregate for all **wrongful acts, claims, actions** or **suits** in any one Coverage Period the **Named Member** is legally obligated to pay as **damages** resulting from the issuance of Bonds and/or Securities.

Additional Coverage D: **Member** Personal Use Auto Liability Coverage

Covered Autos and Users

\$1,000,000 limit per **occurrence** for **damages** resulting from the personal usage of a **covered auto**, which has been provided by the **Named Member** for the regular use of its officers or employees, including their **family members** subject

to the following limitations and restrictions:

1. **Covered auto** must be owned or leased by the **Named Member**; and
2. **Covered auto** must be operated primarily and predominately, but not exclusively, by the officer or employee within the course and scope of the officer's or employee's duties for the **Named Member**; and
3. **Covered auto** usage by the officer or employee must be addressed by a valid and enforceable employment contract between the **Named Member** and such officer or employee; and
4. **Covered auto** is on the **Named Member's** auto coverage listing with the **Pool**.

Non-Owned or Leased Autos

\$1,000,000 limit per **occurrence** for **damages** resulting from the personal usage of a **covered auto** which has been provided by the **Named Member** for the regular use of its officers or employees, including their **family members** subject to the following limitations and restrictions.

Any auto not owned or leased by the **Named Member** is a **covered auto** while being used by an officer or employee of such **Named Member**, including their **family members**, if such officer or employee is provided regular use of a **Named Member's** owned or leased **covered auto** per the "Covered Autos and Users" section above.

Uninsured/Underinsured Motorists **bodily injury** coverage provided herein will not be provided to any auto that is not owned or leased by the **Named Member**.

The following shall not be a **Covered Auto** under this "Non-Owned or Leased Autos" section:

1. Any auto owned by any **family member**;
2. Any auto furnished or available for the employee's or officer's, or their **family member's** regular use;
3. Any autos used while working in a business of selling, servicing, repairing or parking autos.

Additional Coverage E: Mold, Fungus

To the extent coverage is excluded by Exclusion AA, the **Pool** will pay a maximum of \$350,000, in the aggregate, for all **occurrences** or **claims** in any one Coverage Period for **damages** arising directly or indirectly out of, resulting from, caused by or contributed to by any **fungus(es)** or **spore(s)**.

Additional Coverage F: No-Fault Water and or Sewer Back-up

The **Pool** will pay reasonable expenses actually incurred for **property damage** and clean-up expenses resulting from a **claim** made against a **Member** that directly results from a water and or sewer back-up that is:

1. Accidental and neither expected nor intended by the **Member**; and
2. Instantaneous and demonstrable as having commenced at a specific time and date during the Coverage Period; and
3. Not due to the negligence or other fault of the **Member**.

The **Pool** will pay only those expenses incurred within one year from the date of the initial **occurrence**.

Limits of Liability:

\$ 10,000 any one **occurrence**
\$ 30,000 in the aggregate for the total of all **occurrences** in any one Coverage Period

Regardless of the number of **claims** made or claimants involved in any one occurrence, the most the Pool will pay for any one **occurrence** is the Limit of Liability shown for any one **occurrence**.

Deductible:

The obligation of the **Pool** applies only to the amount of **property damage** or clean-up expenses that exceed \$500 any one **occurrence**, or any larger optional deductible chosen by **Member**.

Other Coverage or Insurance:

If the claimant presenting the **claim, action, or suit** against the **Member** has any other applicable, collectible coverage of any kind, including insurance, that other coverage applies to the **property damage** or clean-up expense and the coverage provided by this Additional Coverage F shall be excess and in no event contributing coverage. In no event shall the liability of the **Pool** hereunder exceed the limits of liability set forth herein.

Additional Coverage G:

Part G.I. Injunctive Relief Defense Reimbursement

Notwithstanding Exclusion S, the **Pool** will reimburse the **Named Member** for the costs of defense of an **action or suit** for **injunctive relief** because of the liability of the **Named Member** to which this Coverage Document applies, subject to the following:

1. The maximum the **Pool** will pay as reimbursement under this Additional Coverage G.I is \$25,000 in the aggregate, for all **actions or suits** in any one Coverage Period. The **Pool** has no obligation to pay for the cost of complying with the **injunctive relief**, including any penalties or fines which may be assessed as part of the **injunctive relief**, and the Pool has no obligation to pay for any **damages**, attorney's fees, costs awarded or taxed against the **Named Member** as part of the injunctive relief.
2. The **Pool's** reimbursement obligation for the defense of the **Named Member** is limited to attorney's fees, expert's fees, and normal administrative litigation costs such as court reporter fees, transcript fees, filing fees and reasonable, miscellaneous costs such as postage, communication and photocopies.
3. The **Named Member** has the right to select the attorney representing the **Named Member** in the **action or suit** seeking **injunctive relief**. However, in the event a claim for **injunctive relief** is asserted in any **action or suit** asserting other claims to which this Coverage Document applies, the **Pool** retains and has the right to select the attorney representing the **Named Member**.
4. Upon exhaustion of the above-stated aggregate limit of \$25,000, the Pool will have no further obligations or liability of any kind.
5. The action seeking **injunctive relief** must be brought before a court or agency of the United States, or any State or Commonwealth therein, or any governmental subdivision of any of them.
6. As a condition to this Additional Coverage G.I, the **Named Member** must provide notice to the **Pool** as provided in section **VI. CONDITIONS**, subsection F. of this Coverage Document, and the **Pool** has no obligation for any defense costs incurred by the **Named Member** prior to such notice.

Part G.II. Non-Monetary Relief Defense Reimbursement

Notwithstanding Exclusions S and T, the **Pool** will reimburse the **Named Member** for the costs of defense of an **action or suit** for **non-monetary relief** because of the liability of the **Named Member** to which this Coverage Document applies, subject to the following:

1. The maximum the **Pool** will pay as reimbursement under this Additional Coverage G.II is \$25,000 to the **Named Member** in the aggregate, for reasonable legal expenses incurred by the **Named Member** in defending all **actions or suits** for **non-monetary relief** in any one Coverage Period.
2. In addition to the per **Named Member** aggregate limit of \$25,000, this Additional Coverage G.II is subject to a \$300,000 shared all **Named**

Members annual aggregate. Upon exhaustion of the aggregate limit by such payments, the Pool will have no further obligations or liability of any kind.

3. The **Pool's** obligation to pay for reimbursable legal expenses for the defense of the **Named Member** is limited to attorney's fees, expert's fees, required court bonds, and normal administrative litigation costs such as court reporter fees, transcript fees, filing fees and reasonable, miscellaneous costs such as postage, communication and photocopies.
4. The **Named Member** has the right to select the attorney representing the **Named Member** in the **action** or **suit** seeking **non-monetary relief**. However, if the event a claim for **non-monetary relief** is asserted in any **action** or **suit** asserting other claims to which this Coverage Document applies, the **Pool** retains and has the right to select the attorney representing the **Named Member**.
5. In the event of multiple **actions** or **suits** all of which pertain to the same **wrongful act**, or pertain to a series of related **wrongful acts**, \$25,000 is the most the **Pool** will reimburse the **Named Member** for all covered legal expenses arising out of such multiple **actions** or **suits** regardless of the number of **actions** or **suits** or claimants,
6. The action seeking **non-monetary damages** must be brought before a court or agency of the United States, or any State or Commonwealth therein, or any governmental subdivision of any of them.
7. As a condition to this Additional Coverage G.II, the **Named Member** must provide notice to the **Pool** as provided in section **VI. CONDITIONS**, subsection F. of this Coverage Document, and the **Pool** has no obligation for any defense costs incurred by the **Named Member** prior to such notice.

Additional Coverage H: Fiduciary Liability

To the extent coverage is excluded by Exclusion V. the **Pool** will pay a maximum of \$200,000 per **Named Member** for all **wrongful acts, claims, action or suits** in any one Coverage Period the **Named Member** is legally obligated to pay as **damages** resulting from any **claim** based upon the Employee Retirement Income Security Act of 1974, Public Law 93-406 commonly referred to as the Pension Reform Act of 1974 and amendments thereto, or similar provisions of any federal, state or local statutory law or common law.

The most the **Pool** will pay under this Additional Coverage H is \$1,000,000, shared annual aggregate in any one Coverage Period, subject further to the **Named Member** sublimit above. Upon exhaustion of the aggregate limit by such payments, the **Pool** will have no further obligations or liability of any kind.

Coverage under this Additional Coverage H shall not apply to the extent it is established in a final adjudication by the judge, jury or arbitrator in such **claim** that the **Named Member** committed any fraudulent or criminal **wrongful act** with actual knowledge of its wrongful nature or with the intent to cause damage or intentionally violate any of the foregoing acts or laws to which this Coverage H applies. For purposes of determining the applicability of exclusion V, only the **wrongful act(s)** of a majority of the governing body of the **Named Member**, or of the **Named Member's** manager when acting with the knowledge and consent of such majority of the governing body, shall be imputed to the **Named Member**.

Additional Coverage I: Data Compromise Including E-Commerce Cyber Liability

To the extent coverage is excluded by Exclusion Y, the **Pool** will pay a maximum of \$200,000 per **Named Member** in any one Coverage Period and \$1,000,000 shared all **Named Members** annual aggregate limit for sums the **Named Member** is legally obligated or incurs for data compromise including e-commerce cyber liabilities listed in this Additional Coverage I. Upon exhaustion of the aggregate limit of Coverage by such payments, the **Pool** will have no further obligations or liability of any kind.

Data Compromise Liability:

The **Pool** will pay for **data compromise expenses** to mitigate identity theft resulting from any **personal data compromise** when legally imposed based upon the federal government's implementation of the "Red Flag" anti-identity theft statutes and regulations and amendments thereto; upon state laws requiring notification of a security breach to everyone who could be affected by the breach, or upon similar provisions of any federal, state or local statutory law or common law.

Web Site Publishing Liability:

The **Pool** will pay for loss that the **Named Member** is legally obligated to pay as a result of wrongful acts associated with the content posted to the **Named Member's** website. For purposes of this paragraph only, wrongful act is defined to include actual or alleged errors, misstatements, or misleading statements, defamation, or violation of a person's right of privacy.

Network Security Breach Liability:

The **Pool** will pay for loss that the **Named Member** is legally obligated to pay as a result of **wrongful acts** associated with the **Named Member's** actual or alleged neglect, breach of duty or omission in maintaining the security of the **Named Member's** computer system. For purposes of this paragraph, computer system is defined to include systems owned by the **Named Member**, or licensed or leased by the **Named Member**. The neglect, breach of duty or omission, must allow a third party to gain unauthorized access to the **Named Member's** computer system resulting in the publication of another's personal information or the **Named Member's** inadvertent transmission of a computer virus or malicious code.

Replacement or Restoration of Electronic Data:

The Pool will pay the **Named Member** the cost to recreate or restore electronic data, to pre-loss conditions, or computer programs that are damaged or destroyed as a direct result of an e-commerce incident. For purposes of this paragraph, e-commerce incident is defined as a computer virus, malicious code or denial of service attack.

Cyber Extortion Threats:

The **Pool** will pay the **Named Member** for the reimbursement of cyber extortion threat expenses and ransom payments incurred as a direct result of cyber extortion threat. For purposes of this paragraph, cyber extortion threat is the use of a computer or other electronic communications system to obtain or attempt to obtain by threat unauthorized access to money or other financial gain, or avoidance of financial loss.

Business Income and Extra Expense:

The **Pool** will pay the actual loss of business income and/or extra expense incurred by the **Named Member** as a direct result of an e-commerce incident or cyber extortion threat.

Public Relations Expense:

The **Pool** will pay the **Named Member** for loss due to negative publicity resulting directly from an e-commerce incident or a security breach sustained during the Coverage Period. The **Pool** will not, however, be liable for any other costs, expenses, loss, damages or liabilities the **Named Member** may incur as the result of negative publicity.

DEDUCTIBLES:

The **Named Member** will pay a \$1,000 deductible per each loss or claim under this Additional Coverage I.

EXCLUSIONS:

Coverage under this Additional Coverage I shall not apply to the extent it is established by admission of the **Named Member** or in a final adjudication by a judge, jury or arbitrator that the liability otherwise covered under this Additional Coverage I is based upon, attributable to, or results or arises from any of the following:

1. Any intentional, willful, deliberate, malicious, fraudulent, dishonest or criminal act by the **Named Member**.
2. Any **claim**, fact, circumstance, situation or **occurrence**, event, transaction or **wrongful act** which took place before the inception date of this coverage form.
3. Any fines or penalties, including but not limited to fees or surcharges from affected financial institutions.
4. Defense or other expenses incurred in relation to any criminal investigations or proceedings.

5. Any failure of power or other utility service that enables the **Named Members** e-commerce operations.
6. Any action of governmental authority, including the seizure or destruction of, or damage to or loss of use of any e-commerce asset or any e-commerce communication.
7. Any actual or alleged inability to use, or lack of performance of, any technology products that are in development, or are in 'beta' or similar testing state, and/or have not yet been authorized for general commercial release.
8. Any unsolicited electronic dissemination of faxes or e-mails by the **Named Member** or any other party, including but not limited to actions brought under the Telephone Consumer Protection Act, any federal or state anti-spam statutes, and/or any similar federal or state statutes, law or regulation relating to a person's right of seclusion.
9. The failure of a computer system to be protected by network security equal to or superior to that disclosed in response to specific questions relating to network security including access protection, intrusion detection data back up procedures, malicious code protection, software products update and releases, patch protection, and data encryption; or the failure to use best efforts to install commercially available software products updates and releases, or to apply security related software patches, to computers and other components of the **Named Members** computer system.
10. The malfunction, failure or inadequacy of any satellite.
11. Any actual or alleged violation of the Racketeer Influenced And Corrupt Organizations Act (RICO) and its amendments, or similar provisions of any federal, state or local statute or common law.
12. Ordinary wear and tear; gradual deterioration of; or failure to maintain e-commerce information assets and computer systems on which they are processed or stored whether owned by the **Named Member** or others.
13. The physical loss of, damage to or destruction of tangible property, including the loss of use thereof. Tangible property does not include e-commerce information assets, but does include all computer hardware.
14. Any failure of:
 - a. Telephone lines;
 - b. Data transmission lines or wireless communications connection; or
 - c. Electrical or mechanical failures and/or interruption, including but not limited to any electrical disturbance, surge, spike, brownout or blackout; and outages to gas, water, telephone, internet, cable, or other infrastructure; fire, smoke, explosion, lightning, wind, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, however caused; provided however, this exclusion shall not apply to claims arising out of professional services **wrongful acts** where the professional service rendered or failed to be rendered directly relate to the avoidance or minimization of the events set forth above or the consequences there of;
 - d. Any other telecommunications equipment, facilities or electronic infrastructure, including equipment, facilities or infrastructure that supports the operation of computer networks, including the internet, which are used to transmit or receive voice or data communications and which are not under the **Named Members** direct operational control or, if applicable, under the direct operational control of the **Named Members** service provider.

V. EXCLUSIONS

This coverage does not apply to:

- A. Any liability for **Damages** that result from an act that is intended by the **Member** or can be expected from the standpoint of a reasonable person to cause **bodily injury, personal injury, property damage** or a **wrongful act(s)**. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.
- B. Any liability for **Damages** that the **Member** is legally obligated to pay by reason of the assumption of liability in, or the breach of, a contract or agreement whether expressed or implied. This exclusion does not apply to:
 - 1. **Damages** that the **Member** would owe in the absence of the contract or agreement; or
 - 2. **Damages** assumed in a contract or agreement that is an **insured contract**, provided the liability occurs subsequent to the execution of the contract or agreement.
- C. Any liability for **Damages** arising out of the ownership, maintenance, operation, use, "loading or unloading" of (1) any aircraft owned or operated by, or rented or loaned to, the **Member**, or (2) any other aircraft operated by any person in the course of his or her employment by the **Member**.

"Loading or unloading" means the handling of property:

- 1. After it is moved from the place where it is accepted for movement into or onto an aircraft; or
 - 2. While it is in or on an aircraft; or
 - 3. While it is being moved from an aircraft to the place where it is finally delivered; but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft.
- D. Any liability for **Damages** due to:
 - 1. War including undeclared or civil war; or
 - 2. Warlike action by military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - 3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

- E. Any liability for **Damages** arising out of the ownership, maintenance or use of watercraft in excess of 50 feet in length.
- F. Any liability for **Damages** arising out of the operation, ownership or maintenance of any of the following:
 - 1. Full-time, year-round Day Care Center (defined as a child care center whose primary purpose is to care for toddler, pre-school and pre-kindergarten children at least 40 hours per week and at least 48 weeks per year) as the sole purpose of the Special District.
 - 2. Arising out of the ownership, operation, maintenance, use or entrustment to others of any airfields, runways, hangars, buildings, or other properties in connection with any aviation activities or airports owned or operated by or rented or loaned to any **Member**.
 - 3. Ski Lift Equipment consisting of towers, chairs, cables, wire rope, rope, stanchions or other structural component.
- G. Any liability for **Damages** arising out of injury to, damage to or destruction of any property owned by the **Member**.
- H. Any obligation for which the **Member** or the **Pool** may be held liable under any workers' compensation, unemployment or disability benefits law; social security; or other similar law, including the Jones Act, Federal Employers' Liability Act, U.S. Defense Base Act or the U.S. Longshoremen's and Harbor Workers' Compensation Act.
- I. Any liability for **Bodily injury** to any employee of the **Member**, including any volunteer or inmate for whom the **Member** could elect to provide workers' compensation coverage, arising out of and in the course of the employee's, volunteer's, or inmate's employment or use of their services by the **Member**.
- J. Any liability for **Damages** arising out of, or in any way connected with, the operation of the principles of eminent domain, condemnation, inverse condemnation, adverse possession or dedication by adverse use by whatever name called, whether such liability accrues directly against the **Member** or by virtue of any agreement entered into by or on behalf of the **Member**.
- K. Any liability for **Damages** at any hospital, clinic or nursing home owned or operated by the **Member**, or to any such liability assumed by the **Member** under contract, arising out of or in connection with the care, treatment, rendering of health related professional services or providing any associated products or devices to any person brought to, entering or admitted on an inpatient or outpatient basis to such hospital, clinic or nursing home with the intention that care, treatment, professional services or associated products and devices be provided.

However, this exclusion does not apply to **incidental medical practice** by a **Member**.

- L. 1. Any liability for **Damages** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time.

This exclusion does not apply to **damages** from or arising out of any of the following if the resulting **damages** are neither expected nor intended, and are instantaneous and demonstrable as having commenced at a specific time and date during the term of this Coverage Document:

- a. **Emergency operations** conducted away from premises owned by, or rented to, a **Named Member**;
- b. Training operations;
- c. Water runoff from the cleaning of equipment used in **emergency operations** or **training operations**;
- d. Leakage of fluids including fuel, hydraulic fluid, coolant or lubricants, other than such fluids carried as cargo, from any vehicle designed for land transportation, whether or not licensed for highway use, and owned or operated by the **Member**, and where such leakage is caused by a collision or upset of such vehicle;
- e. Collision, upset or overturn of equipment;
- f. Heat, smoke or fumes from a **hostile fire**. As used in this exclusion, a **hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be;
- g. Arising out of the use, handling, storage, discharge, dispersal, release or escape of any chemical used in the water treatment process by the **Member**;
- h. Arising out of explosion, fire, lightning, windstorm, vandalism or malicious mischief, collapse, riot and civil commotion, flood or earthquake;
- i. Pest abatement or spraying;
- j. Weed abatement or spraying;
- k. Arising out of propane or natural gas; or
- l. Arising out of **potable water**, which is provided by the **Named Member** to others.

However, as respects Exclusion L.1., subsections g., h., i., j., k., and l. the Pool shall have no obligation to make any payment unless the occurrence is:

- a. detected within 10 calendar days after the commencement of such presence, discharge, dispersal seepage migration, release or escape; and
 - b. Reported to the Pool within 30 calendar days of being detected; and
 - c. Subject to reasonable efforts expended by all involved **Members** to terminate or mitigate the situation as soon as conditions permit.
2. Any loss, cost or expense arising from the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at or from a **waste site**.
3. Any loss, cost or expense arising out of any:
- a. Request, demand, order or statutory or regulatory requirement, or voluntary act that any **Member** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
 - b. **Claim, action or suit** by or on behalf of a governmental authority for **damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of **pollutants**.
 - c. Claim, action or suit for which a **Member** is held jointly or severally liable (whether under the Comprehensive Environmental Response Compensation and Liability Act or any statute or any judgment of any court) for **bodily injury personal injury, property damage or a wrongful act** caused by parties other than the **Named Member**.

Any discharge, dispersal, release, seepage, migration or escape of **pollutants** shall be deemed to have commenced at the time of the first event in any series, chain or combination of related events that result in any discharge, dispersal, release, seepage, migration or escape of **pollutants**, and all subsequent, sequential, contributing or combined discharges, dispersals, releases, seepage, migrations or escapes, no matter when occurring, shall be deemed to have commenced at the time of that first event. Any discharge, dispersal, release, seepage, migration or escape of pollutants in any series, chain or combination of related events that results in any discharge, dispersal, release, seepage, migration or escape of pollutants, and all subsequent, sequential, contributing or combined discharges, dispersals, releases, seepage, migrations or escapes that occur over more than one

policy period insured by the **Pool** shall be deemed to have taken place during the last coverage period and only that limit of liability shall apply.

- M. Any liability for **damages** caused by, contributing to by, resulting from, or arising directly or indirectly out of:
1. Asbestos, asbestos fibers, asbestos-containing material, asbestos dust or asbestos products or to any obligation of the **Member** to indemnify another and/or contribute with another because of **damages** arising out of, or as a result of such **bodily injury, personal injury, property damage, or wrongful act(s)**;
 2. Any supervision, instruction, recommendation, notice, warning or advice given or which should have been given in connection with asbestos, asbestos fibers, asbestos-containing material, asbestos dust or asbestos products; or
 3. The use of, sale of, installation of, removal of, abatement of, distribution of, containment of, or exposure to asbestos, asbestos fibers, asbestos-containing material, asbestos dust or asbestos products.

In addition, the **Pool** shall not be obligated to investigate, to pay any **claim** or judgment or to defend any **claim, action or suit** for **damages** caused by, resulting from or arising out of asbestos, asbestos fibers or asbestos products.

This exclusion does not apply to fire fighting, rescue or hazardous materials unit operations away from premises the **Member** owns, rents or occupies.

- N. Any liability for **damages** arising out of the **Member's** failure to secure and maintain proper kinds of insurance and/or adequate amounts of insurance or failure to secure insurance in a timely fashion.
- O. Any liability for **damages** arising out of any act or omission outside the scope of the **Member's** powers and duties as defined in laws, rules, and regulations applicable to the **Member's** operations.

This exclusion does not apply to the acts of directors, officers, employees, or volunteers of the **Member** while acting as a Good Samaritan independently of his or her activities as a director, officer, employee or volunteer when he or she encounters the scene of an emergency requiring sudden action. Excluding absolutely any director, officer, employee or volunteer who responds to the scene of an emergency with or for any other emergency service organization. However, no **Member's** director, officer, employee, or volunteer has coverage for:

1. **Damages** arising out of his or her providing or failing to provide, as a physician, on-line medical direction or medical command via telecommunication to emergency medical personnel; or

2. **Property damage** to property owned or occupied by or rented or loaned to that director, officer, employee or volunteer.
- P. Any liability for **damages** resulting from the willful violation of a criminal or civil statute or ordinance committed by or with the knowledge or consent of any **Member**.
- Q. Any liability for **damages** resulting from a dishonest, fraudulent, criminal, bad faith or malicious act or omission. As respects allegations of fraud related to the issuance of bonds or securities, the **Pool** will defend a claim for fraud until it is determined either by specific admission of the **Member**, or by a determination in a court of competent jurisdiction, that the **Member** did in fact willfully engage in a fraudulent act. In the event it is finally determined that the **Pool** has no liability hereunder, such **Member** agrees to repay to the **Pool**, upon demand, all monies advanced by virtue of this provision.
- R. Any liability for **damages** resulting from a **claim** for failure of performance of contract by any insurer, including failure of any **Employee Benefit Program**.
- S. Any liability for **damages** resulting from **claims**, demands, **actions** or **suits** seeking relief or redress in any form other than monetary damages, or for any fees, costs, or expenses which the **Member** may become obligated to pay as a result of any adverse judgment for declaratory relief or injunctive relief. However, the **Pool** will afford defense to the **Member** for such **claims**, demands, **actions** or **suits** in which monetary damages are requested if not otherwise excluded.
- T. Any liability for **damages** resulting from **claims**, demands, **actions** or **suits** seeking relief or redress under Rule 106 of the Colorado Rules of Civil Procedure, or any other law or court rule, which provides for any like form of relief or redress.
- U. Any liability for **damages** resulting from any **claim** based upon:
1. Failure of investment programs or plans to perform as represented, or failure to invest in investment programs or plans, by a **Member**;
 2. Advice or counseling given by a **Member** to an employee to participate or not to participate in investment programs or plans;
 3. Failure to comply with any law concerning workers' compensation, unemployment coverage, social security or disability benefits.
- V. Any liability for **damages** resulting from any **claim** based upon the Employee Retirement Income Security Act of 1974, Public Law 93-406 commonly referred to as the Pension Reform Act of 1974 and amendments thereto, or similar provisions of any federal, state or local statutory law or common law.
- W. Any liability for **damages** resulting from a **Member** gaining in fact any profit,

advantage or remuneration to which the **Member** is not legally entitled; provided, however, that this exclusion shall not preclude the **Pool** from defending any such **claim** until it is determined, either by specific admission of the **Member**, or by a determination in a court of competent jurisdiction, that the **Member** has gained profit, advantage or remuneration to which the **Member** is not legally entitled. In the event it is finally determined that the **Pool** has no liability hereunder, such **Member** agrees to repay to the **Pool** upon demand, all monies advanced by virtue of this provision.

X. Any liability for **damages** arising out of:

1. The actual or attempted tortuous physical or sexual contact, including abuse or molestation, by a **Member**; or
2. The negligent employment, investigation, supervision, reporting to the proper authorities, or failure to so report, or retention of a person for whom any **Member** is or ever was legally responsible and whose conduct would be excluded by paragraph 1. above.

This exclusion does not apply to the Special District that is the **Named Member** if the liability of the **Named Member** is solely that of an innocent, vicariously responsible employer.

Y. Any liability for **damages** or defense costs, including any duty to defend, or **damages** directly or indirectly based on, arising out of or related to:

1. Any actual or alleged failure, partial failure, malfunction, error, inadequacy of or production of any incorrect or unintended data, information or command, by any of the following, whether belonging to any Member or to others:
 - a. Computer hardware;
 - b. Computer software, including, but not limited to, applications and operating systems;
 - c. Computer networks;
 - d. Computer operating systems;
 - e. Microprocessors (computer chips) whether or not part of any computer system;
 - f. Any other computerized or electronic equipment or components; or
 - g. Any other products, equipment, services, data or functions that directly or indirectly incorporate, use or rely on, in any manner,

any of the items listed in subparagraphs 1.a through 1.f above due to the inability to, or manner in which, any of the items listed in paragraphs 1.a through 1.f above accept, compare, distinguish, interpret, perform calculations using, process, or recognize the year 2000 or any other date or year.

2. Any advice, consultation, design, delay, evaluation, inspection, installation, maintenance, omission, repair, replacement or supervision provided or done by a **Member** or for any **Member**, whether successful or not, to identify, rectify or test any potential or actual problem, failure or malfunction as described in paragraph 1. of this exclusion.

Z. Except as stated in Coverage E in section **I. INSURING AGREEMENT**, no other **uninsured motor vehicle bodily injury** coverage is provided for:

1. Any **claim** settled without the **Pool's** consent;
2. **Bodily injury** sustained by the **Member** or any **family member** while **occupying** or struck by any vehicle owned by a **Member** or **family member** that is not a **covered auto**; or
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

In addition, no coverage is provided for **damages** arising out of automobile Personal Injury Protection Benefits.

AA. As respects water and sanitation district operations, any liability for **damages** resulting from any **claim** arising directly or indirectly out of, resulting from, caused by or contributed to by:

1. Any **fungus(es) or spore(s)**;
2. Any solid, liquid, vapor or gas produced by or arising out of any **fungus(es) or spore(s)**;
3. Any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any **fungus(es) or spore(s)**;
4. Any intrusion, leakage or accumulation of water or any other liquid that contains, harbors, nurtures or acts as a medium for **fungus(es) or spore(s)**;
5. The actual or threatened abatement, mitigation, removal or disposal of **fungus(es) or spore(s)** or any material, product building component or building structure that contains, harbors, nurtures or acts as a medium for any **fungus(es) or spore(s)**;

6. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with subparagraphs 1. through 5. above; or
 7. Any obligation of any **Member** of the **Pool** to indemnify any party in connection with subparagraphs 1. through 6. above.
- AB. Any liability for **damages** arising out of the **Nuclear Energy Liability Hazard**.
- AC. Any liability for **damages** arising directly or indirectly out of, resulting from, caused by or contributed to by:
1. The toxic or pathological properties of lead, lead compounds or lead contained in any materials;
 2. The actual or threatened abatement, mitigation, removal or disposal or lead, lead compounds or materials containing lead;
 3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with subparagraphs 1. or 2. above; or
 4. Any obligation of the Member to indemnify any party in connection with subparagraphs 1., 2., or 3. above.

VI. CONDITIONS

A. SUBROGATION

In the event of any payment under this Coverage Document by the **Pool**, the **Pool** shall be subrogated to all of the **Member's** rights of recovery against any person or organization, and the **Member** shall execute and deliver all instruments and papers and do whatever else is necessary to secure such rights. The **Member** shall do nothing after loss to impair or prejudice such rights.

B. CONTRIBUTION / ANNIVERSARY OR RENEWAL

Unless stated otherwise in the **Declarations** or in this Coverage Document, the **Named Member's** contribution is subject to adjustment per the terms and conditions of the **Named Member's** Intergovernmental Agreement with the Pool.

The **Member** agrees to provide anniversary renewal information at least 60 days prior to anniversary or renewal date.

C. CROSS LIABILITY

Except with respect to the limits of liability, any applicable exclusion(s), and any rights or duties specifically assigned to the **Named Member**, this Coverage

Document applies:

1. As if each **Named Member** were the only **Named Member**; and
2. Separately to each **Member** against whom **claim, action or suit** is brought.

D. COVERAGE PERIOD / TERRITORY

This Coverage Document applies to **occurrences** during the Coverage Document period which take place Worldwide Liability, provided that resulting **claims, actions** or **suits** are brought in U.S. Courts, and the responsibility to pay damages is determined, in the United States of America, its territories, possessions, Puerto Rico or Canada.

E. GOVERNMENTAL IMMUNITY

Nothing in this Coverage Document shall be deemed a waiver of any defenses and immunities provided by law of any **Member**, nor of any limits provided by law on the monetary amount of liability applicable to any **Member**. The **Pool** expressly reserves any and all rights to deny liability by reason of such defenses or immunities, to assert any limitation as to amount of liability provided by law and to assert all defenses as may be applicable as to any **claim, action** or **suit**.

F. DUTIES IN THE EVENT OF AN OCCURRENCE, OFFENSE, CLAIM, ACTION OR SUIT

1. The **Member** must notify the **Claims Administrator** as soon as possible of an **occurrence** or offense which may result in a **claim, action** or **suit**. Notice shall include, to the extent possible, the following:
 - a. How, when and where the **occurrence** or offense took place;
 - b. The names and addresses of any witnesses and injured persons; and
 - c. The nature and location of any injury or damage arising out of the **occurrence** or offense.
2. If a **claim** is made or an **action** or **suit** is brought against any **Member**, the **Member** must:
 - a. Immediately record the specifics of the **claim, action** or **suit** and the date received; and
 - b. Notify the **Claims Administrator** as soon as possible.

The **Member** must see to it that the **Pool** receives written notice any

claim, action or suit as soon as practicable.

3. Any **Member** must notify the **Claims Administrator** as soon as practicable if the **Member**:
 - a. Receives written or oral notice from any person or organization that it is their intent to hold a **Member** responsible for a **wrongful act**; or
 - b. Becomes aware of any **wrongful act** which may subsequently give rise to a **claim** being made or an **action** or **suit** being brought against a **Member** for a **wrongful act**.
4. If a **claim** is made or **action** or **suit** is brought, the **Member** must:
 - a. Immediately send the **Pool** copies of any demands, notices, summonses, complaints or legal papers received in connection with the **claim, action** or **suit**;
 - b. Authorize the **Claims Administrator** to obtain records and other information;
 - c. Cooperate with the **Claims Administrator** in the investigation, settlement or defense of the **claim, action** or **suit**; and
 - d. Assist the **Claims Administrator**, upon the **Claims Administrator's** request, in the enforcement of any right against any person or organization which may be liable to the **Member** because of injury or **damage** to which this coverage may also apply.
5. No **Member** will, except at their own cost, voluntarily make payment, assume any obligation, or incur any expense, other than for first aid, without the written agreement of the **Claims Administrator** or the **Pool**.

G. ACTION AGAINST THE POOL

As a condition precedent to **action** against the **Pool**, the **Member** shall have fully complied with all the terms of this Coverage Document and the amount of the obligation shall have been fully determined either by judgment after actual trial or by written agreement between the **Member**, the claimant(s) and the **Pool**. Judgment shall not be deemed final until the **claim, action** or **suit** has been finally determined in any appeal prosecuted therefrom. Any person or organization or legal representative thereof having secured such judgment or written agreement shall be entitled to recover under this Coverage Document to the extent of the coverage afforded hereby. No person or organization shall have the right under this Coverage Document to join the **Pool** as a party to any **action** or **suit** against

the **Member** to determine the **Member's** legal liability, nor shall the **Pool** be impleaded by the **Member** or the **Member's** representative.

H. OTHER COVERAGE OR INSURANCE

If the **Member** has other applicable, collectible coverage of any kind, including insurance, that applies to the **claim, action, suit** or **damages**, the coverage provided by this Coverage Document shall be excess and in no event contributing coverage, and then only for the amount which would be payable on behalf of the **Member** under such forms of coverage. In no event, however, shall the liability of the **Pool** hereunder exceed the limits of liability set forth herein.

I. REPRESENTATIONS

By accepting this Coverage Document for which a contribution has been made to the **Pool**, the **Named Member** agrees that the statements in the **Named Member's** application for coverage, and any subsequent annual renewal questionnaire forms are accurate and complete, and that the **Pool** has issued this Coverage Document in reliance upon those representations.

J. BANKRUPTCY

Bankruptcy or insolvency of the **Named Member** will not relieve the **Pool** of its obligations under this Coverage Document.

K. PRIOR ACTS UNDER PRIOR CLAIMS-MADE POLICIES

1. Subject to all terms, exclusions and definitions stated within this Coverage Document, the **Pool** will pay on behalf of the **Member** all sums which the **Member** shall be legally obligated to pay as **damages** because of the **Members' claims, actions** or **suits** that would have been covered under an expiring claims-made Coverage Document form.
2. The following conditions must be met prior to coverage:
 - a. Within the first thirty (30) days after expiration date of the expiring claims-made Coverage Document, the **Named Member** must furnish a written statement of any known incidents which may give rise to a future **claim, action** or **suit**;
 - b. Within the first thirty (30) days after expiration date of the expiring claims-made Coverage Document, the **Named Member** must furnish a complete copy of the expired claims-made Coverage Document(s) to the **Pool**.
3. The **Pool's** payment of covered **damages** shall not be excess over any other valid and collectible insurance or Coverage Document(s) nor does the **Pool** have the duty to defend any incident, **claim, action, suit** or

occurrence that is covered by other insurance.

4. The retroactive date on the expired Coverage Document(s) shall apply. If there is no retroactive date on the expired Coverage Document(s), then the earliest inception date of the expired Coverage Document(s) will be the retroactive date for the purposes of this coverage.

VII. DEFINITIONS

- A. **Action** or **suit** means a civil proceeding in which **damages** to which this Coverage Document applies are alleged. **Action** or **suit** also includes an arbitration proceeding in which such **damages** are claimed and to which the **Member** must submit or does submit with the **Pool's** consent, or any other alternative dispute resolution proceeding in which such **damages** are claimed and to which the **Member** submits with the consent of the **Pool**.
- B. **Administration** means:
 1. Providing information to employees, including their dependents and beneficiaries with respect to the **employee benefits programs**;
 2. Handling of records in connection with the **employee benefits programs**; and
 3. Effecting, continuing or terminating any employee participation in any benefit included in the **employee benefit program**, but this does not include the actual effecting, continuing or terminating of such **employee benefit program** which shall be deemed to be a fiduciary act provided all such acts are authorized by the **Named Member**.
- C. **Bodily Injury** means bodily injury, sickness or disease sustained by a person, including death, resulting from any of these at any time.
- D. **Claim**, whenever used in this Coverage Document, shall mean any demand received by a **Member** for **damages** or information that may give rise to **damages** covered under this Coverage Document. **Claim** includes but is not limited to service of a notice of **claim** or service or institution of an **action** or **suit** against a **Member**.
- E. **Claims Administrator** means:

County Technical Services Inc. (CTSI)
Attn: Executive Director
800 Grant Street, Suite #400
Denver, CO 80203
Phone Number: 888-559-6829 or 303-861-0507
Fax Number: 303-861-1022
- F. **Covered Autos** are those autos as described in the **Named Member's** coverage

declaration for the purposes described therein.

- G. **Damages** means all sums recoverable by law from any liability covered under this Coverage Document, but not including punitive or exemplary damages, fines or penalties, and not including any sums awarded for plaintiff's attorney fees or expert fees under any statute, including but not limited to 42 U.S.C. § 1988, in any case in which monetary damages are not sought or not awarded, and not including any damages awarded in any action for injunctive or non-monetary relief, or the costs of complying with injunctions. **Damages** also exclude any and all past wages or salaries, whether actual or artificially determined, which are judicially or administratively made part of any settlement.
- H. **Data Compromise Expenses** means expenses incurred as the result of a **personal data compromise** including, but not limited to: cost of notification, forensic analysis, proactive monitoring services, legal services, public relations, third party data breach and data breach ransom, also specialized response services, including but not limited to consulting services, toll-free helpline, fraud alert and identity restoration case management, and expense for private actions against the **Named Member** arising from unauthorized disclosure our of others' private information arising out of a network security breach. A "**personal data compromise**" means the cost of responding to lost or stolen personal information of others in the **Named Member's** care, custody or control.

For the purposes of Additional Coverage I, **data compromise expense** may include:

1. Network security, content and privacy protection for provision of first-party coverage for extortion, business interruption, loss or damage to a network, extra expense and e-theft for the **Named Member**.
2. **Named Member's** costs to notify others if **Named Member** suspects a security breach or compromise of their private information.
3. Costs to restore network damage to information residing on the **Named Members** network, including **Named Member's** own information which others rely, residing on their network, and others' information on **Named Member's** network;
4. Costs to restore network interruption or others' inability to access or use the **Named Member's** network or their network if interruption is caused by the **Named Member**;
5. Loss form theft or unauthorized disclosure of others' information on **Named Members** network;
6. Disruption of or damage to others' networks and information if caused by the **Named Member**.

- I. **Emergency Operations** means actions:
1. Which are urgent responses for protection of property, human life, health or safety;
 2. Which result from the performing or attempting to perform fire fighting services, hazardous materials unit services, first aid, ambulance or rescue squad services, or related services, including the stabilizing or securing of an emergency scene; and
 3. Which are sanctioned by (i) a fire district, hazardous materials unit, or first aid, ambulance or rescue squad qualifying as a **Member** under this Coverage Document, or (ii) an officer, employee or volunteer member of such organization.
- J. **Employee Benefits Programs** means:
1. Group life insurance, employee assistance program, group accident or health insurance, investment plans or savings plans, profit sharing plans, pension plan, workers' compensation, unemployment insurance, social security benefits, disability benefits, travel, savings or vacation plans; and
 2. Any other similar employee benefits instituted after the effective date of this Coverage Document.
- K. **Employment Practices** means **claims, actions or suits** for **damages** made by an employee, former employee, prospective employee, applicant for employment, person claiming to be an employee, or any person deemed by law to be an employee of the **Named Member**, or their heirs, beneficiaries or legal representatives, as a result of the refusal to employ, termination of employment, coercion, demotion, reassignment, discipline, humiliation, harassment, discrimination, evaluation, defamation or any other practices, policies, acts or omissions arising from the employer - employee relationship.
- L. **Employment Related Harassment** means actual or alleged unwelcome or offensive verbal or physical conduct, including sexual molestation, against a present or former employee of, or an applicant for employment with, the **Named Member**.
- M. **Family Member** means a **Member's** domestic partner and/or a person related to an individual **Member** by blood, marriage or adoption and who is a resident of such **Member's** household, including a ward or foster child.
- N. **Fungus / Fungus (es)** includes, but is not limited to, any form or type of mold, mushroom or mildew.
- O. **Incidental Medical Practice** means rendering treatment as an emergency medical technician, firefighter or volunteer providing first aid while acting within

the course and scope of their duties for the **Named Member**.

P. **Injunctive Relief** means equitable relief sought through the demand for the issuance of a permanent, preliminary or temporary injunction, restraining order, or similar prohibitive writ against, or order for specific performance by, a **Named Member** provided such action is filed during the Coverage Period.

Q. **Insured Contract** means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. An elevator maintenance agreement;
6. That part of any other contract or agreement pertaining to the **Member's** operations (including an indemnification of a municipality in connection with work performed by or for a municipality) under which the **Member** assumes the **tort** liability of another party to pay for **damages** to a third person or organization; and
7. Contracts for services with public bodies.

An **Insured Contract** does not include that part of any contract or agreement:

1. That indemnifies an architect, engineer or surveyor acting as an independent contractor for injury or **damage** arising out of professional errors or omissions;
2. That involves the purchase or sale of real property or personal property.

R. **Named Member** means the Special District, formed under the laws of the State of Colorado, named in the **Declarations** issued to the Special District by the **Pool Member** includes the District's directors, officers, employees, and volunteers authorized to act on behalf of the **Named Member**; all acting within the scope of their employment or duties whether arising out of a governmental or proprietary function.

With respect to Additional Coverage D, if the **Member** is an individual, any **family member** of such **Member** is also covered hereunder. Additional Coverage D also includes anyone else **occupying a covered auto** or a temporary or substitute for a **covered auto** if the **covered auto** is out of service because of its breakdown, repair, servicing, loss or destruction; and anyone for damages he or

she is entitled to recover because of **bodily injury** sustained by another **Member**.

- S. **Non-Monetary Relief** means relief, redress or remedial action other than monetary damages or injunctive relief sought in any of the following forms of action: declaratory judgment, certiorari review, claimed violations of Colorado open meetings or open records laws, or other action seeking equitable relief under Colorado Rule of Civil Procedure 106.
- T. **Nuclear Energy Liability Hazard** means injury, sickness, disease, death or destruction (1) with respects to which a **Named Member** under this Coverage Document is also an insured or participant under a nuclear energy liability insurance policy or coverage document issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured or **Named Member** under any such coverage document or policy but for its termination upon exhaustion of its limits of liability; or (2) resulting from the **hazardous properties** of **nuclear material** and with respect to which (i) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (ii) the **Named Member** is, or had such policy or coverage document not been issued, would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or (3) resulting from the **hazardous properties** of **nuclear materials**, if (i) the **nuclear material** is at any **nuclear facility** owned by, or operated or on behalf of, any **Named Member**, or has dispersed there from; (ii) the **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported, or disposed of, by or on behalf of a **Named Member**, or (iii) the injury, sickness, disease, death or destruction arising out of the furnishing by a **Named Member** of services, materials, parts or equipment in connection with planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this part (iii) applies only to injury or destruction of or loss of property of such **nuclear facility**.

As used herein:

1. **Hazardous properties** mean radioactive, toxic or explosive properties;
2. **Nuclear material** means **source material**, **special nuclear material**, or **byproduct material**;
3. **Source material**, **special nuclear material** and **byproduct material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**;
5. **Waste** means any waste material (a) containing **byproduct material** and (b) resulting from the operation by any person or organization of any

nuclear facility included within the definition of **nuclear facility** under paragraph (a) or (b) thereof;

6. **Nuclear facility** means (a) any nuclear reaction, (b) any equipment or device designated or used for: (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing spent fuel or (iii) handling, processing or packaging waste, (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the **Named Member** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235, (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is located, all operation conducted on such site and all premises for such operation;
7. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to "injury" or to "destruction" of property, then "injury" or "destruction" includes all form of radioactive contamination of property.

U. **Occupying** means in or upon, or getting in, on, out or off.

V. **Occurrence** means:

1. With respect to **bodily injury** and **property damage**, an accident, including continuous or repeated exposure to substantially the same general harmful conditions;
2. With respect to **personal injury**, an offense or series of related offenses. Offenses mean any of the offenses included in the definition of **personal injury**.

In the event of a continuous or repeated exposure to substantially the same general harmful conditions, the **occurrence** or offense shall be deemed to have happened at the time of the first such exposure, regardless of the number or date of the subsequent exposures, persons or property exposed or resulting **claims, actions** or **suits**, and shall be considered under one **Limit of Liability** available under the Coverage Period applicable to such first exposure.

W. **Personal Injury** means injury, other than **bodily injury** arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right

of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;

4. Oral or **written publication** of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
5. Oral or **written publication** of material that violates a person's right of privacy.

X. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. **Pollutants** does not include:

1. Residue and residual washdowns after an automobile accident or after a **hostile fire** has been extinguished by a **Member** authorized to fight fires;
2. Sewage that emanates from a sewer line or sewer system except to the extent any **damages** would be increased by, or would not have occurred, but for the presence in such sewage of material that is radioactive, toxic, caustic or corrosive;
3. Sewage that backs up from a sewer line or sewer system except to the extent any **damages** would be increased by, or would not have occurred, but for the presence in such sewage of material that is radioactive, toxic, caustic or corrosive.

Y. **Pool** means Colorado Special Districts Property and Liability Pool.

Z. **Potable water** means water intended and provided for human consumption.

A. **Property Damage** means:

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

AB. **Spore and/or Spore(s)** includes any reproductive body produced by or arising out of any **fungus (es)**.

AC. **Training Operations** means activities used to prepare, train, or instruct members of a fire department, hazardous materials unit, or first aid, ambulance or rescue squad in accepted and recognized emergency procedures, including municipal,

state and federal standards.

- AD. **Tort Liability** or **Tort** means a liability that would be imposed by law for injury or **damage** to persons or property in the absence of any contract or agreement.
- AE. **Uninsured Motor Vehicle** shall have the meaning set forth in C.R.S. §10-4-609 and any successor statute, and includes any such vehicle for which an insuring or bonding company denies coverage or is or becomes insolvent, or a hit-and-run vehicle and neither the driver nor owner can be identified. Such a hit-and-run vehicle must hit a **Member**, a **covered auto**, or a vehicle a **Member** is **occupying**. The term **uninsured motor vehicle** does not include any vehicle:
1. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by the motor vehicle law;
 2. Owned by a governmental unit or agency; or
 3. Designated for use mainly off public roads while not on public roads.
- AF. **Waste Site** means that part of any premises which is or was at any time used by a **Named Member** or others for storage, disposal, processing or treatment of waste of any kind. It includes, but is not limited to, any landfill, pit or dumping ground, treatment, storage and disposal facility, whether permitted or not, lagoon or pond, drum storage or disposal area, disposal pipe outfall, injection well or any other repository of waste of any kind.
- AG. **Written publication** includes but is not limited to materials placed or distributed via the internet, electronic chatrooms, bulletin boards, web-sites, email or other similar electronic means of communication.
- AH. **Wrongful Act(s)** means any actual or alleged error or misstatement, omission, act of neglect, negligence or breach of duty including misfeasance, malfeasance or nonfeasance by the **Member** individually or collectively, or any matter claimed against the **Member** solely by reason of having served or acted in one or more official capacities. **Wrongful act** shall also include such acts in the **administration of employee benefits programs, employment related harassment and employment practices**.